

104
Agreement

Between

**DELPHI AUTOMOTIVE
SYSTEMS**

and

**DELPHI ENERGY AND
CHASSIS SYSTEMS**

and

LOCAL UNION 87

**UNITED STEELWORKERS
OF AMERICA
AFL-CIO/CLC**

383 pages

December 8, 1999

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**UNITED STEELWORKERS
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AFL-CIO/CLC**

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INTRODUCTION

The interests of Management and Labor in an industrial organization are mutual. Both are in the same business and the success of that business is vital to all concerned. Both Management and employees must work together to the end that the quality and cost of the product will prove increasingly attractive to our customers so that the business will be continuously successful.

The basic interests of employer and employees are the same. However, at times employees and the Management have different ideas on various matters affecting their relationship. These differences can be peacefully and satisfactorily adjusted by sincere and patient effort on both sides.

PREFACE

Delphi Automotive Systems and the USWA-AFL-CIO/CLC recognize their respective responsibilities under Federal, State, and Local laws relating to Fair Employment Practices

The Company and the Union recognize the moral principles involved in the area of civil rights and have reaffirmed in their Collective Bargaining Agreement their commitment not to discriminate because of race, religion, color, age, sex, national origin, disability or sexual orientation.

AGREEMENT

Agreement entered into this 8th day of December, 1999 between Delphi Automotive Systems, and its Delphi Energy and Chassis Systems hereinafter referred to as "the Company" and United Steelworkers of America, AFL-CIO/CLC, and its Local Union 87, hereinafter referred to as "the Union".

PURPOSE OF AGREEMENT

(1) The purpose of this Agreement is to provide orderly collective bargaining relations between the Corporation and the Union, to secure a prompt and equitable disposition of grievances and to establish fair wages, hours and working conditions for the employees covered by this Agreement.

(1a) If either party at the plant operating level believes that the provisions of this Agreement are being administered in a manner inconsistent with orderly collective bargaining relations, the circumstances will be discussed between the designated representative of the local Management and the Chairperson of the Shop Committee in an effort to resolve the problem. If the problem is not resolved, the Corporation's Director of Labor Relations or the President of the Local Union may request, in writing, a meeting of their designated representatives to discuss the problem and take appropriate action.

RECOGNITION

(2) The Corporation recognizes the Union as the exclusive representative of all production employees of the Dayton, Ohio plant, including those directly associated with production, including tool and die makers, and maintenance employees, and specifically including stationary engineers, firemen, and apprentice stationary engineers, except those listed in the following paragraph, for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, and other conditions of employment.

(3) For the purpose of this Agreement, the term "employee" shall include all production employees, including those directly associated with production, including tool and die makers and maintenance employees, and specifically including stationary engineers, firemen, and apprentice stationary engineers,

but excluding direct representatives of Management such as officers and directors of the Corporation, sales managers and assistant sales managers, factory managers, assistant factory managers, directors and employees of sales, accounting, personnel and industrial relations departments, directors of purchases and assistant directors of purchases, supervisors and assistant supervisors, general supervisors, advisors and assistant advisors, and all other persons working in a supervisory capacity, including those having the right to hire or discharge and those whose duties include recommendation as to hiring or discharging and those employees whose work is of a confidential nature, time study personnel, plant protection employees, all clerical employees, chief engineer, process engineers, tool engineers, designing (drawing board), production, estimating, and planning engineers, designers and detailers, physicists, chemists, metallurgists, artists and designer artists, timekeepers, technical school students, cooperative school students and those technical or professional employees who are receiving special training.

(4) The Corporation will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union, nor will it by discrimination in respect to hire, tenure of employment or any term or condition of employment, attempt to discourage membership in the Union.

(4a) It is the policy of the Corporation and Union that the provisions of this Agreement be applied to all employees covered by this Agreement without discrimination based on race, color, religion, age, sex, sexual orientation, national origin or individuals with disabilities as required by appropriate state and federal law. Any claims of violation of this policy or claims of sexual harassment may be taken up as a grievance.

When a grievance containing a claim of violation of this paragraph is appealed to the Shop Committee, the Chairperson of the Shop Committee may refer the claim to a designated member of the Civil Rights Committee of the Union for a factual investigation and report. Any such investigation will be conducted in accordance with the provisions of Paragraph (34a). Neither the Chairperson of the Civil Rights Committee, nor the member of the committee that they may designate to investigate such a claim in their place, shall receive pay from the Corporation based solely upon any activity arising pursuant to this paragraph.

The grievance and arbitration procedure shall be the exclusive contractual procedure for remedying such discrimination claims.

(5) The Union agrees that neither the Union nor its members will intimidate or coerce any employee in respect to their right to work or in respect to Union activity or membership, and further, that there shall be no solicitation of employees for Union membership or dues during working time. The Union further agrees that the Corporation shall take disciplinary action for any violations of this provision.

(6) The right to hire, promote, subject to the provisions of Paragraph (55) and Paragraph (62g), where applicable, discharge or discipline for cause, and to maintain discipline and efficiency of employees, is expressly recognized as the sole responsibility of the Corporation except that Union members shall not be discriminated against as such. In addition, the products to be manufactured, the location of plants, the schedules of production, the methods, processes and means of manufacturing are solely exclusively the responsibility of the Corporation.

UNION SECURITY AND CHECK-OFF OF MONTHLY UNION MEMBERSHIP DUES

(7a) An employee who is a member of the Union at the time this Agreement becomes effective shall continue membership in the Union for the duration of this Agreement to the extent of paying monthly Union membership dues and first month's dues for new and rejoining members uniformly required as a condition of acquiring or retaining membership in the Union.

(7b) An employee who is not a member of the Union at the time this Agreement becomes effective shall become a member of the union within ten (10) days after the thirtieth (30th) day following the effective date of this Agreement or within ten (10) days after the thirtieth (30th) day following employment, whichever is later, and shall remain a member of the Union, to the extent of paying monthly Union membership dues and first month's dues for new and rejoining members uniformly required as a condition of acquiring or retaining membership in the Union, whenever employed under, and for the duration of this Agreement.

(7c) Anything herein to the contrary notwithstanding, an employee shall not be required to become a member of or continue membership in the Union, as a condition of employment, if employed in any state which prohibits, or otherwise makes unlawful, membership in a labor organization as a condition of employment.

(7d) The Union shall accept into membership each employee covered by this Agreement who tenders to the Union the monthly Union membership dues and first month's dues for new and rejoining members uniformly required as a condition of acquiring or retaining membership in the Union.

(7e) The Union will furnish Management, within fifteen (15) days from the effective date of this Agreement, the names of all members paying dues direct to the Local Union.

(7f) Any dispute arising as to the employee's membership in the Union shall be reviewed by a representative of Management and the Chairperson of the Shop Committee, and if not resolved, may be decided by the Impartial Umpire.

(7g) "Member of the Union" as used in Paragraph (7a) and (7b) above means any employee who is a member of the Union and is not more than ninety (90) days in arrears in the payment of monthly Union membership dues.

(7h) First month's dues for new and rejoining members for membership in the Union shall not exceed the maximum prescribed by the Constitution of the International Union at the time the employee becomes a member.

(7i) During the life of this Agreement, the Corporation agrees to deduct Union membership dues levied by the International Union or local Union in accordance with Constitution and By-Laws of the Union, from the pay of each employee who executes or has executed the following "Authorization for Check-Off of Dues" form; provided, however, that the Corporation will continue to deduct monthly Union membership dues from the pay of each employee for whom it has on file an unrevoked Authorization for Check-Off of Dues form initiated during prior agreements between the Corporation and the Union.

Authorization for Check-Off of Dues

To the Delphi Energy and Chassis Systems,
Delphi Automotive Systems

Date

I hereby assign to Local Union 87, International Union, United Steelworkers of America, USWA-AFL-CIO/CLC, from any wages earned or to be earned by me as your employee (in my present or in any future employment by you), such sums as the Financial Officer of said Local Union 87 may certify as due and owing from me as monthly Union membership dues and first month's dues for new and rejoining members in such sum as may be established from time to time by said Local Union in accordance with the Constitution of the International Union, USWA-AFL-CIO/CLC. I authorize and direct you to deduct such amounts from my pay and to remit same to the Union at such times and in such manner as may be agreed upon between you and the Union at any time while this authorization is in effect.

This assignment, authorization and direction shall be irrevocable for the period of one (1) year from the date of delivery hereof to you, or until the termination of the collective Agreement between the Corporation and the Union which is in force at the time of delivery of this authorization, whichever occurs sooner; and I agree and direct that this assignment, authorization and direction shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective Agreement between the Corporation and the Union, whichever shall be shorter; unless written notice of revocation by individual registered mail is given by me to the Corporation and the Union post marked not more than twenty (20) days and not less than ten (10) days prior to the expiration date of each period of one (1) year, or of each applicable collective Agreement between the Corporation and the Union, whichever occurs sooner.

This authorization is made pursuant to the provisions of Section 302(c) of the Labor Management Relations Act of 1947 and otherwise.

(Signature of Employee here)

(Address of Employee)

(Type or print name of Employee here)

(City)

(Date)

(Date of Signing)

(Employee's Clock No.)

(Date of Delivery to Employer)

(7j) Deductions shall be made only in accordance with the provisions of said Authorizations for Check-off of Dues, together with the provisions of this section of the Agreement.

(7k) A properly executed copy of such Authorization for Check-off of Dues form for each employee for whom Union membership dues are to be deducted hereunder, shall be delivered to Management before any payroll deductions are made, except as to employees whose authorizations have heretofore been delivered. Deductions shall be made thereafter, only under Authorizations for Check-off of Dues forms which have been properly executed and are in effect. Any Authorization for Check-off of Dues which is incomplete or in error will be returned to the local Union by Management.

(7l) Check-off deductions under all properly executed Authorizations for Check-off of Dues forms which have been delivered to Management on or before the effective date of this Agreement, shall begin with the month following the month in which the

Union notifies the Corporation to begin the Check-off of Dues under this Agreement.

(7m) Thereafter, on or before the fifteenth (15th) day of each month, the local Union shall deliver to Management any executed Authorization for Check-off of Dues forms under which monthly Union membership dues and first month's dues for new and rejoining members are to be deducted beginning with the following calendar month. After receipt of the Authorization for Check-off of Dues form, the Union membership dues for each succeeding calendar month shall be deducted from the employee's first pay received following the first payroll period ending in the calendar month in which the employee has sufficient net earnings to cover the Union membership dues. In the event that monthly membership dues, other than those for the calendar month in which the deduction is made, and first month's dues for new and rejoining members have become due and owing by an employee subsequent to the effective date of said employee's Authorization for Check-off of Dues form, but prior to the first deduction by the Corporation thereunder, such monthly Union membership dues and first month's dues for new and rejoining members will be deducted by the Corporation at the time it makes the first deduction for membership dues. The local Union will notify Management in writing when it makes delivery of Authorization for Check-off of Dues forms prior to the 15th of each month, of the amounts owing by employees who execute these forms.

(7n) In the case of employees rehired, or returning to work after layoff or leave of absence, or being transferred back into the bargaining unit, who previously have properly executed Authorization for Check-off of Dues forms, deductions will be made for membership dues as provided herein.

(7o) In cases where a deduction is made which duplicates a payment already made to the Union by an employee, or where a deduction is not in conformity

with the provisions of the Union Constitution and By-Laws, refunds to the employee will be made by the local Union.

(7p) Dues deductions shall be remitted to the designated financial officer of the local Union once each month as soon as available but no later than 10 days after the first regular payday in the month. Any deductions made from subsequent payrolls in that month shall be included with the remittance for the following month. Local Management shall furnish the designated financial officer of the local Union, monthly, with a list of those for whom deductions have been made and the amounts of such deductions.

(7q) Any temporary employee whose employment is terminated, or any employee who is transferred to a classification not in the bargaining unit, or any employee whose seniority is broken by death, quit, discharge, layoff or sick leave of absence shall cease to be subject to Check-off deductions beginning in the month immediately following the month in which such termination or transfer occurred or seniority was thus broken. Management will notify the local Union following the end of each month of the names of such employees and will designate the reason each such employee ceased to be subject to the Check-off.

(7r) Any dispute which may arise as to whether or not an employee properly executed or properly revoked an Authorization for Check-off of Dues form, shall be reviewed with the employee by a representative of the local Union and a representative of Management. Should this review not dispose of the matter the dispute may be referred to the Umpire, whose decision shall be final and binding on the employee, the Union and the Corporation. Until the matter is disposed of, no further deductions shall be made.

(7s) The Corporation shall not be liable to the International Union or its locals by reason of the requirements of this Section for the remittance or

payment of any sum other than that constituting actual deductions made from employee wages earned.

Agreement of Indemnity.

(7t) In consideration of the Corporation checking off Union membership dues in accordance with the terms and provisions of this Agreement between the parties and for other good and valuable consideration it is agreed that:

(1) The Corporation, upon receiving notice of any claim or demand and/or upon being served with process or other notice of the institution of any suit or proceeding against it which in any manner or way challenges the right of the Corporation to "check-off" the Union membership dues from the wage or wages of any employee or employees pursuant to the provision of this Agreement, will notify the Union promptly thereof in writing.

(2) The Corporation will undertake to answer, and to defend against, any such claim or demand made by way of litigation or otherwise.

(3) The Corporation and the Union shall share equally the expenses for transcripts, records, briefs and other similar expenses incidental to the defense of, or appeal or review of a finding arising out of or in connection with any such claim or demand made by way of litigation or otherwise; and the Corporation and the Union shall each pay its own expenses for the services of its attorneys in any and all of such cases and proceedings. The Union will indemnify and hold harmless the Corporation and assume and discharge the Corporation's full and complete liability (exclusive of the Corporation's attorney's fees and exclusive of the Corporation's share in the expense of the transcripts, records, briefs and other similar expenses incidental to the defense of the case, in litigation or otherwise, and to the prosecution of the case upon any review or appeal) arising out of or in connection with

any, and all litigation or proceedings brought against the Corporation by (1) any employee, group of employees, or any other person who has had wages "checked-off" pursuant to the provisions of this section of the Agreement and/or by (2) any Federal, State or local government body or agency, by reason of the Corporation having carried out the terms of the "check-off" provision of this Agreement, provided that the claim of liability is predicated upon the provisions of the statutes of the particular State involved, or is predicated upon the provisions of any Federal statutes involved, as the case may be.

REPRESENTATION

(8a) The plant will be districted by agreement between the Management and the President of the Local Union and the Chairperson of the Shop Committee in the ratio of not to exceed one district for each two hundred and fifty employees covered by this Agreement.

(8b) However, in the event the number of employees in an established district becomes in excess of 250 employees, when averaged over a three-month period, it may be districted at the end of such three-month period, upon the request of either the Management or the Union. Thereafter, redistricting shall be accomplished within twenty working days of such request.

(8c) The total number of employees receiving a regular payroll check for work performed [plus employees who did not receive a regular payroll check who are on an approved vacation or leave of absence pursuant to Paragraphs (102) and (106) - short term] during a week representative of normal operations, mutually selected by the Management and the Union, will be the number used for redistricting.

(9a) Except as noted in Paragraph (8b), the plant shall be redistricted not more frequently than six-month

intervals from the date of this Agreement upon request of either the Management or the Union, unless otherwise mutually agreed by the parties. Thereafter, redistricting shall be accomplished within twenty working days of such request.

(9b) In the establishment of representation districts as provided above, it is recognized that separate areas of the plant currently exist and are identified as follows:

Area	Description of Areas of the Plant
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"A"	All existing or any future buildings located not more than one-quarter mile east of a line running not more than one-half mile north or more than one-half mile south of a point beginning at the intersection of Third and Abbey Avenue.
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"B"	All existing or any future buildings located not more than three-fourth mile west of a line running not more than one-half mile north or more than one-half mile south of a point beginning at the intersection of Third and Abbey Avenue.
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"C"	(Vandalia) All existing or any future buildings at the <u>Corporation's</u> Vandalia, Ohio location.
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Other Locations - [See Paragraph (15c)]

(9c) The areas of the Plant as described in Paragraph (9b) above, may be supplemented or changed by negotiations between the Corporation and the Union.

(9d) Any district established in accordance with Paragraph (8a) will exist in only one of the areas of the Plant as presently set forth in Paragraph (9b) or as may be supplemented or changed by negotiations between the Corporation and the Union.

DISTRICT COMMITTEEPERSONS

(10) Each district will be represented by one district committeeperson and one alternate committeeperson. Except as noted in Paragraph (15a), the alternate committeeperson will function only while the district committeeperson is absent from work.

(11) No one shall be eligible to serve as a district committeeperson or as an alternate committeeperson unless the person is an employee in the district which they represents, and until they have acquired seniority and are working in the plant.

(12) District committeepersons and alternate committeepersons are subject to all rules governing employees except as otherwise provided in this Agreement.

(13) A committeeperson will function eight (8) hours per day for the purpose of adjusting grievances in any department in their district for representational purposes in the Grievance Procedure or if they have been notified that their presence has been requested to represent an employee in another district in accordance with the Committeeperson Sequence Call Chart. Such permission will be granted immediately, or within a period not to exceed one hour.

(14) Upon entering a department other than their own in the fulfillment of their duties, the committeeperson shall report to the location arranged between the committeeperson and the committeeperson's advisor.

(14a) In the event an employee requests representation under Paragraph (31) prior to being notified that he/she is being transferred to another district, the district committeeperson for his/her regular district may respond to the request, provided the districts involved are in reasonable proximity and there is no change of shift.

(15a)(1) District committeepersons will be permitted to adjust grievances only in their respective districts except in the event the committeeperson and the alternate committeeperson are both absent from work, a committeeperson from another district on the same shift within the same area of the Plant [as defined in Paragraph (9b)] will be permitted to adjust grievances in that district. Such district committeeperson shall be selected from a list designated in order of preference. This list shall be determined during a meeting arranged at a mutually set time by a Supervisor of Labor Relations and the Chairperson of the Shop Committee. This list may be revised not more frequently than each two months from the date of the Agreement upon request of either the Chairperson of the Shop Committee or a Supervisor of Labor Relations, unless otherwise mutually agreed by the parties. However, in the event all other district committeepersons within the same area of the Plant are absent from work, then an alternate committeeperson from another district on the same shift within the same area of the Plant will be permitted to adjust grievances in that district.

(15b)(1) If an alternate committeeperson for a district or a district committeeperson or alternate committeeperson from another district, as the case may be, is called to function during an absence as set forth in Paragraph (15a)(1) and the grievance is not adjusted during that call, any subsequent call for a committeeperson to handle that grievance will be made to the same district committeeperson or alternate committeeperson, as the case may be, provided that the committeeperson and the grievant are working on the same shift and in the same area of the plant.

(15b)(2) If a district committeeperson or an alternate committeeperson, as the case may be, is called to function during an absence as set forth in Paragraph (15a)(1) and the grievance is not adjusted during that call, any subsequent call for a committeeperson to

handle that grievance will be made in accordance with the Committeeperson Sequence Call Chart starting at Step 1 for the grievant's applicable area of the plant.

(15c) The Chairperson of the Shop Committee may function for the purposes of Paragraph (15d) and the Chairperson of the Shop Committee may supply and maintain an up-to-date list of Union Representatives as defined in Paragraph (15c)(1) who may function for the purposes of Paragraph (15d). Their selection will be from among seniority employees assigned to and working the shift and within the particular Plant Area for which they are designated to function under the provisions of Paragraph (15d). This list shall also indicate the Union's preference as to the order in which such Union Representatives are to be called.

In the event all Union Representatives so designated as defined in Paragraph (15c)(1) below are absent from the plant, representation will be provided in accordance with the Committeeperson Sequence Call Chart starting with Step 1 [see paragraph (15a)].

(15c)(1) Paragraph (13) does not apply to the Chairperson of the Shop Committee or to Union Representatives as specified under this Paragraph (15c)(1).

Employees In Plant	No. of Union Representatives Who May Function Under the Provisions of Paragraph (15d) below
Up to 1500	1*
1500-3000	2
3000-4500	3
4500-6000	4
6000 and over	5

*This shall be the Chairperson of the Shop Committee.

(15d)(1) Grievances may be filed by employees not on the payroll. Since it is important that complaints regarding unjust or discriminatory layoffs or discharges be handled promptly, accordingly employees having such type complaints should present themselves as provided for in Paragraph (15d)(3) below to handle such complaint.

(15d)(2) When such an employee presents himself/herself at the Area in accordance with (1) above, the grievance will be handled on that shift as designated in Paragraph (15c).

(15d)(3) Employees not on the payroll may file or present a complaint to the Corporation at the following locations. If such employee last worked in Plant Areas "A" or "B," the employee must present said complaint to the Labor Relations Office in Plant Area "A". If such employee last worked in Plant Area "C" the employee must present said complaint to the Labor Relations Office located in Plant Area "C". However, such latter employee may present his/her complaint to the Labor Relations Office located in Plant Area "A" by arrangement made between the President of the Local Union or the Chairperson of the Shop Committee and a member of the Corporation's Labor Relations Staff.

(15e) Requests for representation by employees assigned to work at a location other than those defined under Paragraph (9b) shall be provided in accordance with arrangements made by the President of the Local Union or his/her designated representative and a member of the Corporation's Labor Relations Staff.

(15f) The term "grievances filed" as used in this Agreement, shall also cover the "calling of a committeeperson" under the applicable terms of this Agreement even though a written grievance does not result from such call.

(16) Committeepersons shall enter and remain in the plant only on their respective shifts unless required to enter the plant on other shifts in accordance with the provisions of this Agreement.

(17a) In order to perform their functions under the Grievance Procedure, committeepersons and alternate committeepersons, including the district committeeperson designated in Paragraph (15c) shall, as a group, have available to them time totaling two (2) hours times the number of districts as established in Paragraph (9a) times the number of days committeepersons actually work each day under (17a) above, but not less than sixty (60.0) hours each calendar week. This additional time is to be used by the committeeperson or alternate committeeperson to adjust grievances, including verbal grievances, only in the event they have exhausted the committeeperson time allowed their district as set forth in Paragraph (17a).

**COMMITTEEPERSON SEQUENCE CALL CHART
COMMITTEEPERSON TO BE CALLED PER PARAGRAPH (15a)**

"A"	"B"	"C"
1. Dist. Com. for dist. in which grievant is working.	Dist. Com. for dist. in which grievant is working.	Dist. Com. for dist. in which grievant is working.
2. Alt. Com. for dist. in which grievant is working.	Alt. Com. for dist. in which grievant is working.	Alt. Com. for dist. in which grievant is working.
3. A Dist. Com. from another dist. in Plant Area "A".	A Dist. Com. from another dist. in Plant Area "B".	A Dist. Com. from another dist. in Plant Area "C".
4. An Alt. Com. from another dist. in Plant Area "A".	An Alt. Com. from another dist. in Plant Area "B".	An Alt. Com. from another dist. in Plant Area "C".
5. An Alt. Com. from another dist. in Plant Area "B".	An Alt. Com. from another dist. in Plant Area "A".	An Alt. Com. from another dist. in Plant Area "A".

6. An Alt. Com. from another dist. in Plant Area "B".	An Alt. Com. from another dist. in Plant Area "A".	An Alt. Com. from another dist. in Plant Area "A".
7. An Alt. Com. from another dist. in Plant Area "C".	An Alt. Com. from another dist. in Plant Area "C".	An Alt. Com. from another dist. in Plant Area "B".
8. An Alt. Com. from another dist. in Plant Area "C".	An Alt. Com. from another dist. in Plant Area "C".	An Alt. Com. from another dist. in Plant Area "B".

NOTE:

The call for a committeeperson following calls at Steps 1 and 2 of this Committeeperson Call procedure as set forth in the above chart will occur only after it has been found that the committeeperson at the preceeding step is absent from work.

(18) Committeepersons shall be paid by the Corporation for the time spent at the rate for the classification they hold.

(19) During the working hours, committeepersons shall confine their activities to the adjustment of grievances.

(19a) It is mutually agreed that the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the Management.

(19b) The prompt and fair disposition of grievances involves important and equal obligations and responsibilities, both joint and independent, on the part of representatives of each party to protect and preserve the Grievance Procedure as an orderly means of resolving legitimate grievances.

Committeepersons acting properly in their official capacity should be free from orders by supervision which, if carried out, would impair the orderly investigation and presentation of grievances. Actions which tend to impair or weaken the Grievance Procedure, whenever they occur or in whatever manner or form, are improper.

Committeepersons have a responsibility to the Union and the employees they represent to conduct themselves in a businesslike manner and shall conform to the Shop Rules. The normal standard of conduct applicable to all employees shall be applied to committeepersons.

(20) Committeepersons shall be governed by the local plant rules regarding employees entering and leaving the plant except to conduct Union business. Committeepersons may enter or remain in the plant on shifts other than their own when investigating grievances in accordance with the terms of this Agreement. Furthermore, committeepersons may leave the plant when arrangements are made as far in advance as possible with the Management by the President of the Local Union, the Chairperson of the Shop Committee or the International Representative.

(20a) The following is applicable to the days Monday through Friday. Provided five hundred (500) or more employees are scheduled by the Corporation to work on a day, the Chairperson of the Shop Committee will be permitted to leave the plant in accordance with Paragraph (20) for six (6.0) continuous hours per day either the first or last six (6.0) straight time hours of their shift. The Chairperson will be paid their regular rate for such six (6.0) hour period while attending to Union business when they would otherwise be scheduled in the plant on their shift to perform their regular work. They shall notify a designated Management representative when leaving the plant and upon returning to the plant during working hours. They shall ring in and out in the same manner as other employees are required to do.

(21) The names of the district committeeperson and alternate committeeperson in each district shall be given in writing to the Management. No committeeperson shall function as such until the Management has been advised of his/her selection, in writ-

ing, by the President of the Local Union. Any changes in committeepersons shall be promptly reported to the Management in writing. The names and clock numbers of the district committeepersons and alternate committeepersons for each district shall be posted in each department of the district. Appointment or change in district committeepersons shall be effective one (1) working day after above notification in writing is received.

(22) Any committeeperson [this includes an alternate committeeperson if they are functioning under Paragraph (10) of the Agreement, while the district committeeperson is absent from work] having an individual grievance in connection with their own work may ask for any other district committeeperson working in the same area of the plant in which they work [re: Paragraph (9b)] to assist them in adjusting the grievance with their supervisor. In the event no district committeeperson or alternate committeeperson is working in the same Area, the aggrieved committeeperson will be provided with representation in accordance with the Committeeperson Sequence Call Chart [see Paragraph (15a)] starting and proceeding if and as necessary with Step 5 of said chart.

(23a) For the purpose of representation in handling grievances as provided herein, district committeepersons, and alternate committeepersons shall be scheduled without regard to seniority or to available hour equalization standing, as long as there is work scheduled in their respective districts.

(23aa) For the purpose of representation in handling grievances as provided herein, the district committeeperson, or the alternate committeeperson for the district if the district committeeperson is absent, shall be scheduled for representation purposes during Saturday, Sunday and Holiday overtime, without regard to seniority or to available hour equalization standing, as long as there is work scheduled in their district.

(23a)(1) If the Chairperson of the Shop Committee, as is specified to Management in Paragraph (21) of the Agreement, and/or a Union Representative(s) as defined in Paragraph (15c) (1) of the Agreement, is not a committeeperson covered under the provisions of Paragraph (23a) above, they shall be scheduled to report at the Plant for Shop Committee representation purposes as follows:

1. All regular hours up to eight (8) within their district on their respective shift is covered by this Paragraph of the Agreement, (See Paragraph (20a) on certain provisions for Chairperson of the Shop Committee.)

(1) The Chairperson of the Shop Committee's district is defined as all areas of the Plant and a Union Representative's district is defined as an area of the Plant as set forth in Paragraph (9b) of the Agreement and their shift shall be the day shift unless otherwise mutually agreed.

2. All overtime hours up to eight (8) within their district on their shift (including Saturdays and Sundays and all holidays).

(1) When 10 or more of the people they normally represent are working. Paragraph (13) of the Agreement shall not apply to them during such period.

(2) When less than 10 of the people they normally represent are working, they shall only be scheduled to report at the Plant in accordance with Paragraph (114) of the Agreement.

(23b)(1) When there is a reduction in force, the committeeperson and alternate committeeperson shall, at the point they would be subject to being removed from their respective district be retained on a job which they are capable of doing at the current rate of pay for

such work. In the event the district committeeperson and/or alternate committeeperson are transferred under the above circumstances, their return to their regular occupational groups shall be in accordance with the provisions of the applicable Seniority Section of this Agreement.

(23b)(2) When there is a specified, temporary reduction in force due to model change or plant rearrangement, or, where it is known at least three (3) working days in advance that a department employing a committeeperson and/or alternate committeeperson is scheduled to be completely "down" for a full week Monday through Sunday or longer (excluding inventory periods), the committeeperson and alternate committeeperson will at the point they would be subject to being removed from their respective district be retained on a job which they are capable of doing at the current rate of pay for such work. In the event a committeeperson or alternate committeeperson is temporarily transferred from their respective regular occupational group under this provision to available work in another occupational group (department) within the district, they will be returned regardless of seniority, to their regular occupational groups when work they are capable of doing is resumed therein.

(23c) In the event an entire district, as established under the provisions of Paragraph (8), is temporarily discontinued or abolished, the district committeeperson and/or alternate committeeperson for that district will be considered deposited and will be laid off or transferred under the provisions outlined in Appendix "A," sub-paragraph (c) of this Agreement and thereafter will be governed by all provisions of the applicable Seniority Section of this Agreement.

(23d) District committeepersons and/or alternate committeepersons who are laid off from the plant or transferred in accordance with Paragraph (23c) will be the first to be recalled to their assigned district,

without regard to seniority, to a job they are capable of doing at the existing rate for such job.

In the event sufficient number of jobs resume operation in the district requiring the recall of other employees beyond the committeeperson and alternate committeeperson, and such other employees have seniority greater than the committeeperson or alternate committeeperson, the applicable provisions of the Seniority Section of this Agreement shall apply in the relative assignments of the recalled employees.

(23e) If such recall and assignment, as provided by Paragraph (23d), is to a non-interchangeable occupational group other than their regular occupational group, their return to their regular occupational group, shall be in accordance with Paragraph (61a) or Paragraph (62q), whichever is applicable. (For other provisions covering deposed district committeepersons and alternate committeepersons, see Appendix "A")

(24) While on leave of absence, no employee shall serve as a district committeeperson.

SHOP COMMITTEE

(25a) The Shop Committee shall consist of any six (6) district committeepersons and the President of the Local Union, if he/she is an employee of the Corporation currently active at work in the plant, or of any seven (7) district committeepersons and the President of the Local Union, if he/she is not currently active at work in the plant. However, one or both of the following may be substituted, on a one-for-one basis for a district committeeperson:

(1) The Chairperson of the Shop Committee, if a seniority employee who is not a district committeeperson or an alternate committeeperson.

(2) A Union representative designated by the Chairperson of the Shop Committee, if a seniority employee who is not a district committeeperson or an alternate committeeperson.

(3) The Chairperson of the Local Union Skilled Trades and Apprentice Committee.

In the event the Chairperson of the Shop Committee, a designated Union representative as referred to above and/or Chairperson of the Local Union Skilled Trades and Apprentice Committee attends a regularly scheduled meeting with Management as herein provided, each will be compensated for time so spent on the same basis as set forth under the provisions of Paragraph (27a).

(25b) An alternate committeeperson may be substituted for a district committeeperson in the above instances. However, this shall not result in an increase in the total number of committeepersons comprising the Shop Committee, nor shall it prohibit the alternate committeeperson from functioning as outlined in Paragraph (10).

(26) There shall be regularly scheduled weekly meetings of the Shop Committee and the Manage-

ment at a time mutually agreed on, unless the time between meetings is changed by mutual agreement.

(27a) The district and/or alternate committeeperson serving on the Shop Committee as outlined in Paragraph (25), shall be compensated at their earned rate for not more than eight (8.0) hours spent in attending such regular scheduled meeting with Management.

(27b) The hours for which payment may be made to a committeeperson for attending a regularly scheduled Shop Committee Meeting outside their scheduled hours, shall not be included in those hours for which daily or weekly overtime may be payable under this Agreement or any law.

(28) Members of the Shop Committee are subject to all rules governing employees and district committeepersons except as provided in this Agreement.

(29) International Executive Officers of the Union, or their representatives duly authorized to represent the International Union at Shop Committee Meetings, and the President of the Local Union, if not employed in the plant, or his/her designated representative who must be a seniority employee of the Corporation (either active or on Leave of Absence for Union Activity) and who is also a Local Union officer, will be permitted to attend meetings between the Shop Committee and the Management upon written request of the Chairperson of the Shop Committee or the President of the Local Union, given to the Management at least twenty-four (24) hours before each meeting. The Management shall not be requested to meet with more than two such representatives, whose names must have been submitted previously to the Management, and who must be prepared to show proper credentials. A local Union member who is an employee of the Corporation and who has been approved by the Local

Union Executive Board and of whom the Corporation has been previously so notified may be substituted for one such representative at Shop Committee meetings.

(30) The names of the members of Shop Committee attending meetings with the Management shall be submitted to the Management twenty-four (24) hours before the meeting.

GRIEVANCE PROCEDURE

Step One:

(31) Any employee having a grievance or a designated member of a group having a grievance may first take up the grievance with the Advisor, who will attempt to adjust it.

(31a) Using the Committeeperson Request form provided by the Corporation, the employee may request the Advisor to call the committeeperson for that district to handle the grievance with the Advisor. Upon receipt of the Committeeperson Request form, the Advisor will place a call for or otherwise notify the committeeperson promptly.

(31b) If, following the committeeperson's arrival, the committeeperson determines a grievance exists the grievance shall then be stated verbally to the Advisor. The Advisor will then discuss the grievance with the committeeperson and the employee. Following this discussion, the Advisor will give a verbal answer. The verbal reply of the Advisor may, by mutual agreement, be delayed to a later time.

(31c) If the grievance is not adjusted at this point, it may be reduced to writing the same day the Advisor gives his verbal answer, or it may be delayed to the next work day. Grievances reduced to writing will be on forms provided by the Corporation and signed by the committeeperson and the employee or the designated member of the group having a grievance. The

Advisor may request one working day to give his/her written answer. By mutual agreement this time limit may be extended beyond the one day period.

(31d) An employee having a grievance resulting from a disciplinary layoff or discharge may reduce his/her grievance to writing the date he/she is notified of the layoff or discharge.

Step Two:

(32) If the written grievance is not adjusted at Step One, it may be appealed to the supervisor of the department. Thereafter, the supervisor will arrange a meeting with the committeeperson to discuss any grievance(s) which has been appealed. The time and date of such meeting will be by mutual agreement but, unless otherwise mutually agreed, the supervisor's answer will be given within two (2) working days from the date of appeal from the Step One written answer. [In cases of disciplinary layoff or discharge, Paragraph (65) shall apply.]

(32a) Following the discussion of the grievance(s), the supervisor, if he/she believes it will aid in resolving the grievance or at the request of the committeeperson, will arrange for the employee who signed the grievance to attend the meeting, providing the employee is then working on the same shift and the same plant area. If the Advisor who handled the grievance at Step One has information which is not otherwise available to the supervisor or committeeperson and which will aid, during this meeting in resolving the grievance, the supervisor will arrange for such Advisor to attend the meeting, providing he/she is then working on the same shift and in the same plant area.

(32b) The supervisor will provide an answer to any unresolved grievance(s) at the conclusion of the meeting, unless otherwise mutually agreed.

(33) Any grievance not appealed from a decision at Step One within fifteen (15) calendar days of such decision or from a decision at Step Two within one (1) calendar month of such decision or within one (1) calendar month following the completion of a grievance investigation as provided for in Paragraph (34a) shall be considered settled on the basis of the last decision and not subject to further appeal unless otherwise mutually agreed before expiration of the specific time limits set forth herein.

(34a) If not adjusted at Step Two, the grievance may be appealed to the Shop Committee. In the interest of prompt adjustment of grievances, which the parties mutually agree is desirable, the Chairperson of the Shop Committee will furnish to Management an agenda listing the grievances the Union plans to appeal at the meeting. Such agenda will be submitted to Management as far in advance of the meeting as possible. The agenda will list:

1. The serial number of each grievance
2. The name of the grievant
3. The clock number of the grievant
4. The date of the grievance

During the meeting grievances may be subtracted from and other grievances may be added to the agenda. After a grievance has been appealed to the Shop Committee and it is decided that additional information is needed, the grievance may be referred to the Second Step with one member of Management and one member of the Shop Committee, to secure such additional information.

A seniority employee who is currently active at work in the plant and who is either a member of the Local Union Executive Board or a representative of the Local Union Skilled Trades & Apprentice Committee may be substituted for the member of the Shop Committee. The parties should designate their respective representative during the Shop Committee Meeting in which the grievance is referred to the Second

Step. The parties agree it is of mutual interest to conduct such an additional Second Step proceeding within fourteen (14) calendar days from the date the case is referred to the Second Step. If this Second Step proceeding cannot be conducted within such fourteen (14) calendar days because of existing circumstances, thereafter the parties will arrange for a date mutually agreeable when circumstances will permit securing the additional information needed.

(34b) The Union in making an appeal of a grievance to Step Three during a Shop Committee Meeting, may present its position verbally and/or in writing. Such Union position and contentions will be recorded by Management in the minutes of the meeting. Management will give an answer within fourteen (14) days unless otherwise mutually agreed.

(34c) Minutes of regular Shop Committee meetings will be furnished to the Chairperson of the Shop Committee within fourteen (14) calendar days from the date of the meeting, unless otherwise mutually agreed.

(34d) One copy of the Shop Committee minutes, signed by the Chairperson of the Shop Committee, will be returned to Management within fourteen (14) calendar days from the date furnished, unless mutually agreed.

(35) If any pertinent fact or facts have been added to the grievance after it has been referred to the Shop Committee, the grievance shall go back to Step Two.

Step Four - Appeal to Corporation and International Union:

(36a) Any cases not settled at this point may be appealed to the Corporation and the International Union. Prior to such appeal, an International Union Representative and/or a Local Union member who is an employee of the Corporation and who has been

approved by the Local Union Executive Board and of whom the Corporation has been previously so notified will be granted permission to visit the plant for the purpose of investigating the specific grievance involved in the case being considered for appeal, provided the grievance alleges violation of the terms of the sections of the Agreement and written Supplementary Agreements thereto as set forth in Paragraph (42) of this Agreement, and provided further that the grievance is of such a nature that observation or investigation will aid in:

Arriving at a decision as to whether or not a grievance exists;

Arriving at a decision as to whether or not such a grievance shall be appealed;

The purpose of its proper presentation in the event of appeal.

(36b) Such visits will occur only after the following procedure has been complied with:

(1) The name of the individuals who will be permitted to enter the plant must be submitted in writing to local Management previous to the date such entry is requested.

(2) The Union shall give notice in writing to Management of the request for entry and will identify the representatives whom it wishes to make the visit and the specific grievance to be investigated.

(3) Management will acknowledge receipt of the request and set a time during regular working hours which is mutually agreeable for such visit.

(4) Management representatives may accompany the International Union Representatives and the Local Union representative during such visit.

(5) Only one such visit on a specified grievance shall be made under these provisions unless otherwise mutually agreed to.

(6) Such visits shall be restricted to the time mutually agreed upon in Point (3) above and shall be of reasonable duration and shall be subject to all plant rules and regulations which apply to employees and security regulations established by agencies of the United States Government.

(36c) It is mutually agreed that the purpose of this provision is solely to facilitate the operation of the Grievance Procedure and that the International Union Representative shall confine his/her visit to its stated purpose. If it is necessary, the International Union Representative may interview the employee or the designated member of a group signing the grievance and employees in the Bargaining Unit who have information relevant to the case.

(36d) If the Union decides to appeal the grievance to the Fourth Step of the Grievance Procedure, notice of appeal must be given in writing within forty-five (45) days from decision at Step Three; except, however, notice of appeal of a case involving the discharge of an employee must be given in writing within fifteen (15) days from decision at Step Three. In either event, the notice of appeal shall be accompanied by a written statement prepared by the Chairperson or designated member of the Shop Committee, signed by the Chairperson of the Shop Committee, setting forth the alleged acts and circumstances of the case, the union's position, and where an alleged violation of Paragraph (4a) is included in the grievance, a statement of the facts and circumstances supporting such claim. Grievances not appealed in compliance with the foregoing provisions shall be considered settled on the basis of the last decision and not subject to further appeal.

(37) Upon notice of appeal, the Corporation shall arrange a meeting with representatives of the Corporation and of the International Union. There shall be no requirement to meet more frequently, for purposes

of this Step Four Appeal, than once each sixty (60) days commencing with January 1, 1971. The date of each such days shall be by mutual agreement except as provided in Paragraph (38b).

(38a) In such cases the Union may be represented by one (1) representative of the International Union and not more than five (5) representatives of the Local Union, and the Corporation may be represented by one (1) representative from the Delphi Automotive Systems' Labor Relations Staff in Troy, Michigan and not more than five (5) representatives of the local Management. Upon conclusion of the conference a written answer will be supplied by a representative of the Corporation not later than thirty (30) days from date of meeting except as provided in Paragraph (38b). The Chairperson of the Shop Committee and one other designated Local Union Representative who is a seniority employee and is working in the plant will be paid their regular rate of pay for not more than eight (8) hours spent in an Appeal meeting held on plant premises, providing they otherwise would have been scheduled to work in the plant.

(38b) In cases involving the discharge of an employee in the event the Step Four Appeal meeting cannot be arranged and a disposition supplied within thirty (30) days from date of appeal to Step Four, such case may be appealed directly to Step Five of the Grievance Procedure, Appeal to Impartial Umpire. Such latter appeal to Step Five must be made not later than fifteen (15) days after the thirtieth (30th) day following the date of appeal to Step Four.

(38c) Except as provided in Paragraph (38b), any case appealed in accordance with this procedure and not heard at a Fourth Step meeting within ninety (90) days from the date of Fourth Step appeal, may be appealed directly to Step Five of the Grievance Procedure. In the event of such appeal, unless the time limit is extended by mutual agreement, the appeal to the Impartial Umpire must occur within a period of one

hundred twenty (120) days from the date of Fourth Step appeal. In such event, the grievance may be handled in accordance with the provisions of Step Five: Appeal to Impartial Umpire Section of the Grievance Procedure. Following notice of such Step Five appeal, the Corporation and the Union will exchange a Fourth Step Brief and a written answer within seven (7) days of such Step Five appeal, unless such time limit is extended by mutual agreement.

(38d) Unless otherwise mutually agreed, any case which has been previously appealed to Step Four in accordance with this procedure and not heard at a Step Four meeting within one hundred eighty (180) days from the date of Fourth Step appeal and not appealed to Step Five in accordance with the foregoing Paragraph (38c) will be considered settled on the basis on the last decision and not subject to further appeal.

(38e) Special Procedure - Contracting of Work
Grievances charging a violation of the Corporation's express commitments set forth in Paragraphs (62y) (1), (62y)(2), (62y)(3), (62y)(5) and Appendix "J-I" shall be handled in the following manner:

(1) When a grievance arises involving the above, it shall be reduced to writing on forms provided by the Corporation, signed by the Chairperson of the Shop Committee, and referred to the Shop Committee at Step Three of the Grievance Procedure. The grievance may then be processed in the Grievance Procedure through Step Five under the terms of the Agreement, unless the USWA International President elects otherwise as provided in Paragraph (38e)(2) below.

(2) Within thirty (30) days of the date of Notice of Appeal to the Umpire, the USWA International President will notify the Director of Labor Relations of Delphi Automotive Systems in writing of his/her election to refer the case back to the Appeal

Committee. Thereafter, the bargaining procedure provided in Paragraph (122) may then be applicable.

Step Five - Appeal to Impartial Umpire:

(39a) If the case is not satisfactorily settled at this point, it may be appealed to an Impartial Umpire, providing it is the type of case on which the Umpire as outlined herein is authorized to rule. Notice of appeal of such cases to an Umpire, by the Union, shall be given in writing by the Union to the Corporation. Notice of appeal of such cases to an Umpire, by the Corporation, shall be given in writing by the Corporation to the Union. Notice of appeal by either party to an Umpire, in the case of a grievance which was not heard at the Fourth Step, must be given within the thirty (30) day time limit set forth in Paragraph (38c), except as provided in Paragraph (38b). Notice of appeal by either party to an Umpire in the case of a grievance which has been heard at the Fourth Step, must be given within forty-five (45) days from the date of the decision by the Representative of the Corporation. Grievances not appealed in compliance with the foregoing provisions, shall be considered settled on the basis of the last decision and not subject to further appeal.

(39b) During the life of this Agreement, any of the three (3) persons listed under Paragraph (47) of this Agreement shall be acceptable to both parties to function as Impartial Umpire. This list of individuals may be modified by mutual agreement for the sole purpose of replacing the individual or individuals whose services are no longer available to the parties.

(40) The Impartial Umpire shall have only the functions set forth herein. His selection shall be by mutual agreement of the parties. The fees and expenses of the Umpire shall be borne one-half by the Corporation and one-half by the Union, and all other expenses shall be borne by the party incurring them.

(41) All cases shall be presented to the Umpire in the form of a written brief, prepared by each party, setting forth the facts and its position, and the arguments in support thereof. The written briefs will be exchanged at the time of hearing. The Umpire may make such investigation as he/she may deem proper, hold a hearing and examine the witnesses of each party, and each party shall have the right to examine all such witnesses, present oral rebuttal at the hearing and make a record of all such proceedings.

(42) It shall be the function of the Umpire, after due investigation and within a reasonable period of time after submission of the case to him/her, to make a decision in cases of alleged violation of the terms of the following sections of this Agreement, and written supplementary agreements thereto on these same subjects: Recognition; Representation; District Committeeperson; Shop Committee; Grievance Procedure; Seniority B-I; Disciplinary Layoffs & Discharges; Working Hours; Hiring Rates; Call-in Pay; Night Shift Premium; Holiday Pay; Apprentices; Seniority B-II, except as provided hereinafter; Leaves of Absence; Record of Available Hours; Union Bulletin Boards; Vacation Entitlement; Strikes, Stoppages and Lockouts; General Provisions; and any alleged violation of written wage agreements. The Corporation delegates to the Impartial Umpire full discretion in cases of discipline for violation of shop rules or discipline for violation of the Strikes, Stoppages and Lockouts section of the Agreement.

(42a) The Umpire may, pursuant to written agreement between the parties executed prior to the hearing, be directed to issue a Memorandum Decision in any case that may be presented to him/her, which Memorandum Decision shall be without precedent value and be limited to the Umpire's decision and the remedy, if any, in that specific case. The Umpire will issue the decision within ten (10) days following the date the Umpire hearing is concluded.

(43a) An Umpire shall have no power to add to, or subtract from, or modify, any of the terms of this Agreement or any Agreements made supplementary hereto, nor to establish or change any wage; nor to rule on any dispute arising under Paragraph (67) regarding standards of production; nor to rule on a case handled pursuant to Paragraph (38e). His/her authority with respect to the subject of wages, wage rate progression and standards of production shall be confined to the determination of whether or not there has been any violation of the Agreement between the parties.

(43b) The Umpire shall have no power to rule on any issue or dispute arising under the Pension Plan, Life and Disability Benefits Program, Health Care Program, Income Security Plan Section, Guaranteed Income Stream Benefit Program, Profit Sharing Plan, Personal Savings Plan, or the Waiver Section, Paragraphs (132), (133), except with respect only to the question of whether a discharged employee should receive a supplemental allowance pursuant to Section 7 or Article II of the Pension Plan (Exhibit A-1).

(43c) In making a decision on a case alleging a violation of Paragraphs (62y)(1), (62y)(2), (62y)(3), (62y)(5), Appendix J-I, or Appendix N, the Umpire can only provide a remedy where he/she finds that (1) a violation of the express commitments set forth in the above paragraphs, Appendix J-I, or Appendix N, has been established, (2) the established violation resulted from the exercise of improper judgment by Management, and (3) a Journeyman/woman employee, or in the case of Appendix N, any employee, who customarily performs the work in question has been laid off or was allowed to remain on layoff as a direct and immediate result of work being sub-contracted, or (4) in the case of Appendix N an employee has been laid off or was allowed to remain on layoff as a result of work being outsourced, or not being brought in house. The Umpire's remedy shall be limited to back wages for the affected employees as defined in (3) and (4) of

this paragraph, or in the case of Appendix N, the Umpire may rule that the affected employees will be recalled and/or placed on regular productive work and the work in dispute or equivalent replacement work be returned to Delphi Automotive Systems.

(44) Any case appealed to the Umpire, on which he/she has no power to rule, shall be referred back to the parties without decision.

(45a) No claims, including claims for back wages, by an employee covered by this Agreement, or by the Union against the Corporation, shall be valid for a period prior to the date the grievance was first taken up with the Advisor in the Grievance Procedure, unless the circumstances of the case made it impossible for the employee, or for the Union as the case may be, to know that the employee, or the Union, had grounds for such a claim prior to that date, in which case the claim shall be limited retroactively to a period of sixty (60) days prior to the date the claim was first taken up with the Advisor in the Grievance Procedure. All claims for back wages shall be limited to the amount of the wages the employee would otherwise have earned from his/her employment with the Corporation during the periods as defined, less the following:

(1) Any Unemployment Compensation received for a week which corresponds to a week the employee would have worked for the Corporation which the employee is not obligated to repay or which he/she is obligated to repay but has not repaid nor authorized the Company to repay on his/her behalf.

(2) Compensation for personal services other than the amount of compensation the employee was receiving from any other employment which he/she had at the time he/she last worked for the Corporation and which he/she would have continued to receive had he/she continued to work for the Corporation during the period covered by the claim.

(3) Wages for total hours worked each week in other employment in excess of the total number of hours the employee would have worked for the Corporation during each corresponding week of the period covered by the claim shall not be deducted.

(4) No decision at any step of the Grievance Procedure, inclusive of the decision of an Umpire, shall create a basis for a retroactive adjustment in any other case.

(45b) (1) Payments as provided for herein involving one to five employees shall be paid not later than the third regular pay day following the date of the settlement of the claim.

(2) Payments as provided for herein involving six or more employees will be made promptly consistent with computational requirements in each instance. The Corporation will notify the Union of any computation which will result in the payment being made subsequent to the fourth regular pay day following the date of the settlement of the claim. In the event of such notification, upon request of the Local Union President, a meeting will be arranged between the President or his/her designated representative and one member of the Corporation's Labor Relations Staff to review the facts attendant to the computation.

(45c) Payments as provided herein to correct clerical errors occurring in the preparation of an employee's pay for a given week, will be corrected in the pay made following the pay period in which such error is brought to the attention of the Corporation on forms provided by the Corporation and signed by the Advisor and employee. Payment will be made in accordance with the above and any adjustments will be made in subsequent pay periods. The Corporation will notify the Union of any computation which will result in the delay of such payment. In the event of such

notification the review procedure set forth in Paragraph (45b)(2) will be followed.

(45d) Deductions from an employee's wages to recover over-payments made in error will not be made unless the employee is notified prior to the end of the month following the month in which the check (or payroll order) in question was delivered to the employee.

(46) There shall be no appeal from the Umpire's decision, which will be final and binding on the Union and its members, the employee or employees involved, and the Corporation.

(47) Pursuant to Paragraph (40) of this Agreement, selection of an Umpire will be made by mutual agreement on an ad hoc basis from among the following named individuals:

Lawrence T. Holden, Jr.
Arthur Stark
Rolf Valtin

In the event of failure to make a selection by mutual agreement within five (5) days, each party shall strike the name of one of the individuals, one at a time in alternate rotation and the remaining individual will automatically be selected. Should striking names result in two names remaining, the Umpire shall automatically be the one of the remaining two who is first available.

(47a) Any issue involving the interpretation and/or the application of any terms of this Agreement may be initiated by the Corporation or the International Union directly with the other party. Upon failure of the Corporation and the International Union to agree with respect to the correct interpretation or application of the Agreement to the issue, it may then be appealed directly to the Umpire as provided in Paragraph (39a).

SENIORITY

B-I

(Groups Other Than Special Groups)

(48) Seniority shall be by non-interchangeable occupational groups, either as now established or as may be changed by negotiations later.

As provided in this Paragraph (48) of this Agreement, the non-interchangeable occupational groups as established as of the effective date of this Agreement are as contained in a Local Memorandum of Understanding attached to the Local Agreement.

(49) Acquiring seniority - Employees may acquire seniority by working ninety (90) days during a period of six (6) continuous months in which event the employee's seniority will date back ninety (90) days from the date seniority is acquired except as provided in Appendix M.

(50) Employees shall be regarded as temporary employees until seniority is established. There shall be no responsibility for the re-employment of temporary employees if they are laid off or discharged during this period. However, any claim by a temporary employee including employees rehired pursuant to Paragraph (51e)(1) or any claim by any other temporary employee made after working 30 days for the Corporation that his/her layoff or discharge is not for cause, may be taken up as a grievance.

Such claims must be stated in detail in writing at the time of the filing of the grievance and must be handled in accordance with the provisions of Paragraph (65).

(51) Loss of Seniority - To protect his/her seniority, it is the employee's responsibility to notify the Advisor or the Personnel Department of his/her proper home address on the forms provided. The employee will be given a copy of such form. Seniority will be

broken for the following reasons:

(51a) If the employee quits.

(51b) If the employee is discharged.

(51c) If the employee is absent for five (5) regular working days without properly notifying the Management unless a satisfactory reason is given.

(51d) If the employee fails to return to work within five (5) regular working days after having been notified to report for work, unless a satisfactory reason is given supported by acceptable evidence, provided notice was sent to the employee's last known address. A copy of Management's notification of such loss of seniority will be furnished promptly to the Chairperson of the Shop Committee.

(51e) (1) If the employee is laid off for thirty (30) continuous months. However, if his/her seniority exceeds thirty (30) months, seniority will not be broken until he/she has been laid off for a continuous period equal to the seniority he/she had acquired at the time of such layoff.

An employee whose seniority is so broken shall, for a period of sixty (60) months beginning with the employee's last scheduled work day prior to layoff, retain a right to be rehired in accordance with the seniority the employee had acquired at the plant as of such last day scheduled. An employee who is rehired and who reacquires seniority, pursuant to Paragraph (49), within sixty (60) months immediately following the last day worked prior to the layoff during which his/her seniority was broken by virtue of this Paragraph (51e)(1), shall have his/her new seniority date adjusted by adding an amount equal to the seniority he/she had acquired at the plant as of such last day worked.

(2) If the employee has acquired and retains seniority in accordance with Paragraph (49) and is

transferred to a special non-interchangeable occupational group as defined in Seniority Section B-II or to a job classification not included in the bargaining unit and is subsequently laid off or transferred from such job assignment due to a reduction in force, seniority, other than special non-interchangeable occupational group seniority, will be broken if such employee fails to accept a job offer made in accordance with the provisions of either Paragraph (59) or Paragraph (60).

(51f) If the employee fails to report for work within three (3) regular working days following recovery from illness. [See Paragraph (109c).] (See Appendix "G")

(51g) Retirement as follows:

(1) An employee who retires, or who is retired under the terms of the Pension Plan, shall cease to be an employee and shall have his/her seniority cancelled.

(2) An employee who has been retired on a permanent and total disability pension and who thereby has broken his/her seniority in accordance with subsection (1) above, but who recovers and has his/her pension discontinued, shall have his/her seniority reinstated as though he/she had been on a sick leave of absence during the period of his/her disability retirement, provided however, if the period of his/her disability retirement was for a period longer than the seniority he/she had at the date of retirement, he/she shall upon the discontinuance of his/her disability pension, be given seniority equal to the amount of seniority he/she had at the date of such retirement.

(3) If an employee retired for reasons other than total and permanent disability, who has lost seniority in accordance with subsection (1) above, is rehired; such employee will have the status of a new employee and without seniority, and he/she shall not acquire or accumulate any seniority thereafter, except for the purpose of applying provisions governing Holiday Pay and Vacation Pay.

(52) Any employee who has been transferred from a job classification not included in the bargaining unit to a job classification in the bargaining unit shall be credited with the seniority he/she had established prior to March 1, 1977, all time worked in the bargaining unit subsequent to March 1, 1977, except as provided in Document 25 provided:

(52a) He/she previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(52b) His/her employment with the Corporation has remained unbroken.

Such employee may be placed on the job to which his/her seniority would entitle him/her under the local seniority agreement, beginning with the last previous job he/she held in the bargaining unit; provided however, that if such last previously held job is no longer in existence, he/she may be placed in accordance with Paragraph (60). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

(53) Except as provided in Paragraph (62), when an employee is transferred from one occupational group to another for any reason, there shall be no loss of seniority.

(54) In determining who is senior among those employees having the same seniority date, for purposes of transfer, layoff, rehire and/or shift preference, the employee having the lowest social security number will be considered the senior employee. The employee having the next lowest social security number among said group will be considered the next senior employee in the group, and so on.

(55) The transferring of employees, except as provided in Paragraph (60), is the responsibility of the

Management. In the advancement of employees to higher rated jobs when ability, merit and capacity are equal, employees with the longest seniority will be given preference and, further, it is provided if these employees have ability, merit and capacity equal to new hires, they shall be given preference for advancements over new hires.

(55a) (1) A seniority employee who desires a transfer to a new position or vacancy in another department, may make application on forms provided by the Corporation stating his/her desires, qualifications and experience. The completed application form should be presented by the applicant to a Personnel Department office. Each employee may have two (2) such applications on file. In the event an employee presents more than two applications to the Personnel Department, the applications with the latest date will be the only applications considered. Application forms may be secured from the Personnel Department office. Such applications for transfer will only be retained for consideration by the Personnel Department as may be negotiated locally.

(2) Applications for transfer made under the provisions of this paragraph will not be considered until such time as all employees with recall rights under the provisions of Paragraph (61a) have had an opportunity to be recalled, except that if the employees to be recalled do not have ability, merit and capacity for the job opening equal to that of the employees making application for transfer, the said employees with recall rights will not be recalled until such time as the said applicants are given prior consideration.

(3) Any claim of personal prejudice or any claim of discrimination for Union activity in connection with transfers may be taken up as a grievance. Such claims must be supported by written evidence submitted within forty-eight (48) hours from the time the grievance is filed.

(4) An application for transfer as provided in Paragraph (55a) (1) will be considered provided it is on file by not later than Monday of the week preceding the week the vacancy occurred.

(5) Applicants as provided in Paragraph (55a) (1), provided they can do the work, will be transferred in accordance with the following procedure:

(a) Applicants will be transferred promptly but in not more than five (5) working days, wherein the vacancy which results from such transfer is filled by a new hire or a rehire into the plant from layoff.

(b) Applicants will be transferred promptly but in not more than ten (10) working days wherein the vacancy which results from such transfer is filled by a "home group" recall.

(c) In the event there is more than one applicant with equal ability, merit and capacity, the applicant with the longest seniority will be given preference.

(6) An employee who has been transferred under the provisions of Paragraph (55a)(5) may not have a subsequent application for transfer, made under the provisions of Paragraph (55a)(1), considered during the one-hundred fifty (150) day period immediately succeeding the effective date of said transfer.

(7) A vacancy resulting from the transfer of an applicant under Paragraph (55a)(5) may be filled without reference to the application for transfers made under the provisions of Paragraph (55a)(1).

(8) Any delay beyond the time periods set forth in Paragraph (55a)(5), may be discussed upon the request of either party in a meeting arranged promptly between one Union representative, designated by the Local Union President and one Corporation representative.

(9) The provisions of this paragraph shall be applied without discrimination because of race, religion, color, age, sex, sexual orientation or national origin, so that equal employment opportunity will be afforded to all employees.

(56a) Employees with seniority who have been certified by the Medical Department as unable to continue on their present jobs will be transferred in line with their seniority to such available work as they are capable of doing at the rate of the job to which they are transferred.

(56b) Any employee who has been incapacitated at his regular work by injury or occupational disease while employed by the Corporation, may be employed on any other work in the plant which he/she can do without regard to any seniority provisions of this Agreement, except that such employee will not displace an employee with longer seniority, provided, however, that by written agreement between local Management and the Shop Committee, any such employee may be placed or retained on a job he can do without regard to seniority rules. Each three months the name, job classification and seniority date of employees covered by such agreement will be furnished to the Chairperson of the Shop Committee.

(56c) (1) Any grievance involving a dispute regarding an employee's job assignment which has resulted in a loss of work [except as provided in (a) below] or a refusal of Management to return an employee to work from Sick Leave of Absence by reason of the medical findings of a physician or physicians acting for the Corporation, will be initiated at Step Three, if such findings are in conflict with the findings of the employee's personal physician with respect to whether the employee is able to do a job to which he/she is entitled in line with his/her seniority or do the disputed job assignment as the case may be. Failing to resolve the question, the parties may refer the em-

ployee to a local clinic or physician mutually agreed upon for an impartial medical opinion as to whether the employee is or is not able to do a job which he/she is entitled in line with his/her seniority or do the disputed job assignment as the case may be. If Management and the Union are unable to agree on any aspect of the referral to a clinic or physician, the case may be appealed as provided in the grievance procedure. The expense of any mutually agreed to physical examination(s) in accordance with the above provisions of this Paragraph (56c) shall be paid one-half by the Corporation and one-half by the employee.

(a) This procedure will also be applicable to a situation where an employee is prevented from being transferred to a job classification because of a medical finding by a physician acting for the Corporation, which medical finding the employee's personal physician does not thereafter detect.

(2) In the event the Corporation and the International Union are unable to mutually agree at Step Four, on the referral to a clinic or physician, the case shall be considered as automatically appealed to the Umpire and shall be scheduled for Umpire Hearing as expeditiously as practicable. The case will then be handled in accordance with Paragraph (41). Information furnished the Umpire shall include all relevant and material medical information that the parties themselves have jointly considered. When deciding medical questions, the Umpire shall seek such competent medical advice, including specialists, as he may deem appropriate. Any examination of the employee by the medical personnel selected by the Umpire shall be paid one-half by the Corporation and one-half by the employee and shall be conducted as close as feasible to the city in which the plant where the grievance arose is located.

(3) Any decision by a mutually agreed to medical authority at any step of this Paragraph (56c)

procedure, or by the Umpire, shall be final and binding on the Union, the employee involved and the Corporation. Any retroactive pay due the employee shall be limited to a period commencing with the date of filing of the grievance, or the date the employee became able to do a job to which he/she is entitled in line with his/her seniority, whichever is the later. The Umpire shall have full discretion to set the amount of back pay, if any, when a dispute exists as to the back pay to which an employee may be entitled for any period during the processing of the grievance when the employee refused to cooperate with diagnostic medical procedures at other than his/her own expense.

Rehiring and Layoff Procedures

(57) For temporary reductions in production,, the work week may be reduced before employees are laid off.

(57a) Insofar as it is practicable during temporary reductions in production in a job classification within a department on a given shift, the temporary employees will be scheduled off before employees with seniority are scheduled off.

(57b) If there is not enough work available in a job classification within a department on a given shift for the employees with seniority after scheduling off the temporary employees in accordance with (57a) above, the seniority employees will be scheduled off in accordance with Paragraph (114).

(58) Temporary employees will have been laid off following not more than three (3) weeks of reduced work weeks, provided it has been determined the reduction in production is to be for an extended period. Following the layoff of temporary employees, the extent to which the work week will be reduced before employees with seniority are to be laid off will become a subject for negotiation on the basis of conditions which exist at that time.

(59) Employees with seniority will be laid off and rehired in their occupational group in line with their seniority. Insofar as is practical, all temporary employees will be laid off before laying off employees with seniority; and to reinstate, insofar as practical, employees with seniority before new employees are hired. Appropriate action will be determined by negotiation on the basis of conditions existing at that time.

(59a) Employees with seniority who do not have sufficient seniority to be transferred in accordance with Paragraph (60) will be laid off from the plant in line with their plant-wide seniority and employees with seniority will be recalled into the plant in line with their plant-wide seniority before temporary employees are recalled or new employees hired, provided the employee with seniority is capable of doing the job available.

(60a) During extended periods of low production, or where changes in methods, products or policies would otherwise result in the permanent laying off of employees, the seniority of the displaced employees will become plant-wide and the employees will be transferred from their regular occupational groups in line with their seniority to such available work as they are capable of doing at the rate for the job to which they are transferred.

Such plant-wide transfer will be made expediently subject to the size and complexity of the "layoff and transfer moves" of employees which are planned. In the event the size and complexity of these planned layoff and transfer moves of employees will result in any of the employees to be laid off and/or transferred being laid off from work more than three (3) working days, the Corporation will submit to the local Union the facts and problems attendant to these layoff and transfer moves of employees.

Such information will be submitted as soon as available, but in any event, prior to the time the actual

layoffs and/or transfers of the employees start. Upon submission of this information to the local Union, a meeting will be arranged promptly between the Corporation and the local Union Negotiating Committee to discuss these layoff and transfer moves upon the request of either party. In those cases, however, wherein it is planned these layoffs and transfers of the employees can be made in a manner which will not result in the displaced employees being laid off for more than three (3) working days, the said information will be submitted only upon request of the Union. In any event, the said information shall be of the type normally prepared by the Corporation to be used in planning the layoff and transfer moves of the employees.

(60b) If a further reduction in force occurs subsequent to starting a reduction in force as provided for in Paragraph (60a), but prior to the completion of the said planned reduction in force, the Corporation will submit additional information with respect to the facts and problems attendant to any such subsequent additional and overlapping layoff and transfer moves of employees. Appropriate meetings can be arranged to discuss this information upon the request of either party.

(61a) (1) The transfer of employees from their regular occupational group (home group) in accordance with Paragraph (60) in the foregoing will be considered temporary. The occupational group to which the employee is temporarily transferred in accordance with Paragraph (60) shall be considered the "temporary group" for at least the first thirty (30) calendar days. Such employee may make written application in the Personnel Department on forms supplied by Management within the first thirty (30) days from such date of transfer if they desire retaining recall rights to their "home group" thereafter. Employees who do not make application pursuant to this paragraph will have their regular group (home group) established as the occu-

pational group to which the employee is assigned at the time the thirty (30) days expires.

(2) When the Corporation resumes work in an occupational group, employees who are then working in the plant and who retain that group as their "home group" will be recalled in line with their seniority from the "temporary group" to their "home group" in accordance with the following procedure:

(a) "Temporary groups" which do not require replacement(s) or additional employee(s), will transfer out recalled employees when notified by the Employment Department.

(b) "Temporary groups" requiring replacement(s) but not requiring additional employee(s), will transfer out one (1) "home group" recalled employee for each employee received from the Employment Department.

(c) "Temporary groups" requiring replacement(s) and additional employee(s) will transfer out one (1) "home group" recalled employee for each two (2) employees received from the Employment Department until all additional employees have been received and thereafter, the transfer out of recalled employees shall be in accordance with subparagraph (b) of this Paragraph (61a)(2).

(3) Seniority employees laid off from the plant under the provisions of Paragraph (59a), or who would otherwise have been laid off as specified in Paragraph (109d), will no longer retain their previously established regular occupational group (home group) for the purpose of recall. However, upon rehire, such employees shall again establish a regular occupational group in accordance with Paragraph (61b)(2).

(4) The transfer procedures outlined in Paragraph (61a)(2) will be handled as follows:

(a) A transfer under Paragraph (61a)(2)(a) will be made not later than one (1) working day following the date of the Employment Department notification.

(b) A transfer under either Paragraph (61a)(2)(b) or (61a)(2)(c) wherein the recalled employee is replaced in the "temporary group" by an employee returned to work under the provisions of Paragraph (59a) or a new employee hired, such transfer, subject to the size and complexity of the recall and transfer moves, will be made promptly but in not more than five (5) working days following notification by the Employment Department.

(c) A transfer under either Paragraph (61a)(2)(b) or (61a)(2)(c) wherein the recalled employee is replaced in the "temporary group" by a "home group" recalled employee or an employee who is being transferred at his/her request under Paragraph (55a), such transfer subject to the size and complexity of the recall and transfer moves, will be made promptly but in not more than ten (10) working days.

(5) In the event the size and complexity of the recall and transfer moves will result in a delay beyond the time periods set forth in Paragraph (61a)(4), the Corporation will submit to the Local Union the facts and problems attendant to the recall and transfer moves causing such delay. Following submission of such information to the Local Union, a meeting will be arranged promptly between the Corporation and the Local Union Negotiating Committee to discuss the delay, upon the request of either party.

(61b) (1) In the case of new employees or rehired employees without seniority, the regular group shall be established as the occupational group which the employee is properly assigned at the time seniority is acquired or re-acquired.

(2) In the case of employees recalled from layoff with seniority or reassigned from the Employee Development Bank as provided in Appendix "L" - JOBS Program, the regular group shall be established as the occupational group which the employee is properly assigned at the time of recall or reassignment.

(3) In the event an employee is permitted by Management to permanently transfer, provided he has acquired seniority under the provisions of Paragraph (49), the occupational group to which he/she is transferred shall become his/her regular occupational group for the purposes of Paragraph (61a) above.

SENIORITY

B-II

(Special Groups)

(62a) Seniority shall be by non-interchangeable occupational groups, either as now established or as may be changed by negotiations later.

As provided in this Paragraph (62) of this Agreement, the special non-interchangeable occupational groups as established as of the effective date of this Agreement are as contained in a local Memorandum of Understanding attached to the Local Agreement.

(62b) (1) Acquiring Seniority - Employees may acquire seniority in a special non-interchangeable occupational group by working ninety (90) days during a period of six (6) continuous months in the said special non-interchangeable occupational group assigned except as provided in Appendix M. This is applicable both to employees hired directly into a special non-interchangeable occupational group or transferred into a special non-interchangeable occupational group from any other non-interchangeable occupational group including the special groups. Seniority gained in one special non-interchangeable occupational

group shall not be applicable in another special non-interchangeable occupational group.

(62b) (2) Employees shall be regarded as temporary employees until seniority is established. There shall be no responsibility for the re-employment of temporary employees if they are laid off or discharged during this period. However, any claim by a temporary employee including employees rehired pursuant to Paragraph (62d)(5) or any claim by any other temporary employee made after working 30 days for the Corporation that his/her layoff or discharge is not for cause, may be taken up as a grievance.

Such claims must be stated in detail in writing at the time of the filing of the grievance and must be handled in accordance with the provisions of Paragraph (65).

(62c) In the event an employee is laid off or transferred from one of the special groups due to a reduction in force and prior to having actually acquired seniority in accordance with Paragraph (62b) in that special group, there shall be no requirement to rehire such employee into that special group when the work force is being increased.

(62d) Loss of Seniority - To protect his/her seniority, it is the employee's responsibility to notify the Advisor or the Personnel Department of his/her proper home address on the forms provided. The employee will be given a copy of such form.

All types of seniority retained will be broken for the following reasons:

(1) If the employee quits.

(2) If the employee is discharged.

(3) If the employee is absent for five (5) regular working days without properly notifying the Management, unless a satisfactory reason is given

(4) If the employee fails to return to work within five (5) regular working days after having been notified to report for work, unless a satisfactory reason is given supported by acceptable evidence, provided notice was sent to the employee's last known address. A copy of Management's notification of such loss of seniority will be furnished promptly to the Chairperson of the Shop Committee.

(5) If an employee has acquired seniority in accordance with Paragraph (62b) in a special non-interchangeable occupational group and is laid off or transferred from the said special non-interchangeable occupational group due to a reduction in force for thirty (30) continuous months. However, if his/her seniority exceeds thirty (30) months, seniority will not be broken until he/she has been laid off for a continuous period equal to the seniority he/she had acquired at the time of such layoff. An employee whose seniority is so broken pursuant to this Paragraph (62d)(5) shall, for a period of sixty (60) months beginning with the employee's last scheduled work day prior to layoff, retain a right to be rehired in accordance with the seniority the employee had acquired at the plant as of such last day scheduled. An employee who is rehired and who reacquires seniority, pursuant to Paragraph (62b), within sixty (60) months immediately following the last day worked prior to the layoff during which his/her seniority was broken by virtue of this Paragraph (62d)(5), shall have his/her new seniority date adjusted by adding an amount equal to the seniority he/she had acquired at the plant as of such last day worked. (This provision, Paragraph (62d)(5), applies only to the loss of special non-interchangeable occupational group seniority.)

(6) If the employee fails to report for work within three (3) regular working days following recovery from illness. [See Paragraph (109c).] (See Appendix "G".)

(7) Retirement as follows:

(a) An employee who retires, or who is retired under the terms of the Pension Plan, shall cease to be an employee and shall have all types of seniority cancelled.

(b) An employee who has been retired on a permanent and total disability pension and who thereby has broken his/her seniority in accordance with subsection (a) above but who recovers and has his/her pension discontinued, shall have his/her seniority reinstated as though he/she had been on a sick leave of absence during the period of his/her disability retirement, provided however, if the period of his/her disability retirement was for a period longer than the seniority he/she had at the date of retirement, he/she shall, upon the discontinuance of his/her disability pension, be given seniority equal to the amount of seniority he/she had at the date of such retirement.

(c) If an employee retired for reasons other than total and permanent disability, who has lost seniority in accordance with subsection (a) above, is rehired: such employee will have the status of a new employee and without seniority, and he/she shall not acquire or accumulate any seniority thereafter, except for the purpose of applying the provisions governing Holiday Pay and Vacation Pay.

(8) Any employee who has been transferred from a job classification not included in the bargaining unit to a job classification in the bargaining unit shall be credited with the seniority he/she had established prior to March 1, 1977, all time worked in the bargaining unit subsequent to March 1, 1977, except as provided in Document 25, provided:

(a) He/she previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(b) His/her employment with the Corporation has remained unbroken.

Such employee may be placed on the job to which his/her seniority would entitle him/her under the local seniority agreement, beginning with the last previous job he/she held in the bargaining unit provided however, that if such last previously held job is no longer in existence, he/she may be placed in accordance with Paragraph (62o). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

(9) Employees with established seniority in a special non-interchangeable occupational group who are transferred from said special group, except for reasons of reassignment by Management or reduction in force, shall lose only such previously acquired special non-interchangeable occupational group seniority following eighteen (18) months of continuous absence from the special non-interchangeable occupational group.

(62e) For purposes of shift assignment, layoff and rehire, the employee's established seniority date within the special non-interchangeable occupational group assigned will be used.

(62f) In determining who is senior among those employees having the same seniority date, for purposes of transfer, layoff, rehire, and/or shift preference, the employee having the greater plant-wide seniority date will be considered the senior employee and the employee having the next greatest plant-wide seniority date will be considered the next senior employee, and so on. However, if there are two or more employees with the same plant-wide seniority date, the employee having the lowest social security number will be considered the senior employee. The employee having the next lowest social security number among said group will be considered the next senior employee in the group, and so on.

(62g) The transferring of employees is the responsibility of the Management. In the advancement of employees to higher rated jobs when ability, merit and capacity are equal, employees with the longest unbroken service with the Corporation will be given preference and, further, it is provided if these employees have ability, merit and capacity equal to new hires, they shall be given preference for advancements over new hires.

(62g) (1) A seniority employee who desires to transfer to a new position or vacancy in another department, may make application on forms provided by the Corporation stating his/her desires, qualifications and experience. The completed application form should be presented by the applicant to a Personnel Department office. Each employee may have two (2) such applications on file. In the event an employee presents more than two applications to the Personnel Department, the applications with the latest date will be the only applications considered. Application forms may be secured from the Personnel Department office. Such applications for transfer will only be retained for consideration by the Plant Personnel Department as may be negotiated locally.

(2) Applications for transfer made under the provisions of this paragraph will not be considered until such time as all employees with recall rights under the provisions of Paragraph (62q) have had an opportunity to be recalled, except that if the employees to be recalled do not have the ability, merit and capacity for the job opening equal to that of the employees making application for transfer, the said employees with recall rights will not be recalled until such time as the said applicants are given prior consideration.

(3) Any claim of personal prejudice or any claim of discrimination for Union activity in connection with transfers may be taken up as a grievance.

Such claims must be supported by written evidence submitted within forty-eight (48) hours from the time the grievance is filed.

(4) An application for transfer as provided in Paragraph (62g)(1) will be considered provided it is on file by not later than Monday of the week preceding the week the vacancy occurred.

(5) Applicants as provided in Paragraph (62g)(1), provided they can do the work, will be transferred in accordance with the following procedure:

(a) Applicants will be transferred promptly but in not more than five (5) working days, wherein the vacancy which results from such transfer is filled by a new hire or a rehire into the plant from layoff.

(b) Applicants will be transferred promptly but in not more than ten (10) working days wherein the vacancy which results from such transfer is filled by a "home group" recall.

(c) In determining who is the more senior employee applicant in order to give preference to such employee, in the event there is more than one applicant with equal ability, merit and capacity, the earliest established seniority date retained by such applicants shall be used.

(6) An employee who has been transferred under the provisions of Paragraph (62g)(5) may not have a subsequent application for transfer, made under the provisions of Paragraph (62g)(1), considered during the one-hundred fifty (150) day period immediately succeeding the effective date of said transfer.

(7) A vacancy resulting from the transfer of an applicant under Paragraph (62g)(5) may be filled without reference to the application for transfers, made under the provisions of Paragraph (62g)(1).

(8) Any delay beyond the time periods set forth in Paragraph (62g)(5), may be discussed upon the request of either party in a meeting arranged promptly between one Union representative, designated by the Local Union President and one Corporation representative.

(9) The provisions of this paragraph shall be applied without discrimination because of race, religion, color, age, sex, sexual orientation or national origin, so that equal employment opportunity will be afforded to all employees.

(62i) (1) Employees with seniority who have been certified by the Medical Department as unable to continue on their present jobs will be transferred in line with their seniority to such available work as they are capable of doing at the rate of the job to which they are transferred.

(62i) (2) Any employee who has been incapacitated at his/her regular work by injury or occupational disease while employed by the Corporation, may be employed on any other work in the plant which he/she can do without regard to any seniority provisions of this Agreement, except that such employee will not displace an employee with longer seniority, provided, however, that by written agreement between local Management and the Shop Committee, any such employee may be placed or retained on a job he/she can do without regard to seniority rules. Each three months the name, job classification and seniority date of employees covered by such agreement will be furnished to the Chairperson of the Shop Committee.

(62j) (1) Any grievance involving a dispute regarding an employee's job assignment which has resulted in a loss of work [except as provided in (a) below] or a refusal of Management to return an employee to work from Sick Leave of Absence by reason of the medical findings of a physician or physicians acting for the Corporation, will be initiated at Step Three, if

such findings are in conflict with the findings of the employee's personal physician with respect to whether the employee is able to do a job to which he/she is entitled in line with his/her seniority or do the disputed job assignment as the case may be. Failing to resolve the question, the parties may refer the employee to a local clinic or physician mutually agreed upon for an impartial medical opinion as to whether the employee is or is not able to do a job to which he/she is entitled in line with his/her seniority or do the disputed job assignment as the case may be.

If Management and the Union are unable to agree on any aspect of the referral to a clinic or physician, the case may be appealed as provided in the grievance procedure. The expense of any mutually agreed to physical examination(s) in accordance with the above provisions of this Paragraph (62j) shall be paid one half by the Corporation and one half by the employee.

(a) This procedure will also be applicable to a situation where an employee is prevented from being transferred to a job classification because of a medical finding by a physician acting for the Corporation, which medical finding the employee's personal physician does not thereafter detect.

(2) In the event the Corporation and the International Union are unable to mutually agree at Step Four, on the referral to a clinic or physician, the case shall be considered as automatically appealed to the Umpire and shall be scheduled for Umpire Hearing as expeditiously as practicable. The case will then be handled in accordance with Paragraph (41). Information furnished the Umpire shall include all relevant and material medical information that the parties themselves have jointly considered. When deciding medical questions, the Umpire shall seek such competent medical advice, including specialists, as he/she may deem appropriate. Any examination of the employee by the medical personnel selected by the Umpire shall

be paid one-half by the Corporation and one-half by the employee and shall be conducted as close as feasible to the city in which the plant where the grievance arose is located.

(3) Any decision by a mutually agreed to medical authority at any step of this Paragraph (62j) procedure, or by the Umpire, shall be final and binding on the Union, the employee involved and the Corporation. Any retroactive pay due the employee shall be limited to a period commencing with the date of filing of the grievance, or the date the employee became able to do a job to which he/she is entitled in line with his/her seniority, whichever is the later. The Umpire shall have full discretion to set the amount of back pay, if any, when a dispute exists as to the back pay to which an employee may be entitled for any period during the processing of the grievance when the employee refused to cooperate with diagnostic medical procedures at other than his/her own expense.

(62k) (1) For temporary reductions in production, the work week may be reduced before employees are laid off.

(2) Insofar as it is practicable during temporary reductions in production in a job classification within a department on a given shift, the temporary employees will be scheduled off before employees with seniority are scheduled off.

(3) If there is not enough work available in a job classification within a department on a given shift for the employees with seniority after scheduling off the temporary employees in accordance with (62k)(2) above, the seniority employees will be scheduled off in accordance with Paragraph (114).

(62l) Temporary employees will have been laid off following not more than three (3) weeks of reduced work weeks, provided it has been determined the reduction in production is to be for an extended

period. Following the layoff of temporary employees, the extent to which the work week will be reduced before employees with seniority are to be laid off will become a subject for negotiation on the basis of conditions which exist at that time.

(62m) Employees with seniority will be laid off and rehired in their special occupational group in line with their seniority. Insofar as is practical, all temporary employees will be laid off before laying off employees with seniority; and to reinstate, insofar as is practical, employees with seniority before new employees are hired. Appropriate action will be determined by negotiation on the basis of conditions existing at that time.

(62n) In case of reduction in force, the special occupational group seniority of employees shall be limited to the special group in which seniority has been established.

(62o) However, if an employee was transferred into a special occupational group on a transfer from other non-interchangeable occupational groups where they had previously established seniority which they still retain, they will, when laid off from one of these special groups, be transferred or laid off in accordance with the provisions of the applicable Seniority Section of this Agreement.

(62p) There shall be no responsibility for the employment elsewhere in the plant of any employee hired or transferred into one of the special occupational groups listed in Seniority Section B-II if the employee is laid off and has not acquired seniority in any other group in the plant except that if such employee would otherwise be assigned to the Employee Development Bank as provided in Appendix "L" - JOBS Program, the employee may be offered the opportunity to volunteer for assignment to a job in another group in the plant ahead of new hires, provided they can do the available work. If there are more volunteers than the

number of openings available at the time, seniority will be used as a tie breaker. When such volunteers do not meet the manpower requirements, such employees may be assigned to job openings ahead of new hires.

(62q) (1) The transfer of employees from their regular special non-interchangeable occupational group (home special group) in accordance with Paragraph (62o) in the foregoing will be considered temporary. The occupational group to which the employee is temporarily transferred in accordance with Paragraph (62o) shall be considered the "temporary group."

(2) When the Corporation resumes work in a special group, employees who are then working in the plant and who retain, at that time, seniority in said "home special group" will be recalled in line with their seniority from the "temporary group" to their "home special group" in accordance with the following procedure:

(a) "Temporary groups" which do not require replacement(s) or additional employee(s), will transfer out recalled employees when notified by the Employment Department.

(b) "Temporary groups" requiring replacement(s) but not requiring additional employee(s), will transfer out one (1) "home special group" recalled employee for each employee received from the Employment Department.

(c) "Temporary groups" requiring replacement(s) and additional employees(s) will transfer out one (1) "home special group" recalled employee for each two (2) employees received from the Employment Department until all additional employees have been received and, thereafter, the transfer out of recalled employees shall be in accordance with sub-paragraph (b) of this Paragraph (62q)(2).

(3) When the Corporation resumes work in a special occupational group, employees who are then on layoff from the plant and who retain, at that time, seniority in said "home special group" will, following recall into the plant from layoff, be recalled to their "home special group" in line with their seniority in accordance with the following procedure:

(a) Such recall into the plant will be in accordance with the provisions of Paragraph (62m).

(b) Thereafter, such employee (if not assigned his/her "home special group" upon recall into the plant from layoff) will have his/her recall to his/her "home special group" handled as provided in Paragraph (62q)(2) beginning on the second Monday following the date the employee started to work upon return from layoff.

(4) The transfer procedures outlined in Paragraph (62q)(2) will be handled as follows:

(a) A transfer under Paragraph (62q)(2)(a) will be made not later than one (1) working day following the date of the Employment Department notification.

(b) A transfer under either Paragraph (62q)(2)(b) or (62q)(2)(c) wherein the recalled employee is replaced in the "temporary group" by an employee returned to work under the provisions of Paragraph (59a), (62m), or a new employee hired, such transfer, subject to the size and complexity of the recall and transfer moves, will be made promptly but in not more than five (5) working days following notification by the Employment Department.

(c) A transfer under either Paragraph (62q)(2)(b) or (62q)(2)(c) wherein the recalled employee is replaced in the "temporary group" by any "home group" recalled employee or an employee who is being transferred at his request under Paragraph

(55a) or (62h), such transfer, subject to the size and complexity of the recall and transfer moves, will be made promptly but in not more than ten (10) working days.

(5) In the event the size and complexity of the recall and transfer moves will result in a delay beyond the time periods set forth in Paragraph (62q) (4), the Corporation will submit to the Local Union the facts and problems attendant to the recall and transfer moves causing such delay. Following submission of such information to the Local Union, a meeting will be arranged promptly between the Corporation and the Local Union Negotiating Committee to discuss the delay, upon the request of either party.

(6) In the case of new employees, the regular special non-interchangeable occupational group shall be established as the special occupational group which the employee is properly assigned at the time seniority is acquired; or in the event an employee is permitted by Management to permanently transfer, provided he/she has acquired seniority under the provisions of Paragraph (62b), the occupational group to which he/she is transferred shall become his/her regular occupational group for the purposes of Paragraph (62q)(1) above.

Apprentices

(62r) (1) Training of apprentices will be governed by uniform apprentice training programs, including the shop training and related training schedules as established in the Delphi Automotive Systems Standard Apprentice Plan.

(62r) (2) The Delphi Standard Apprentice Plan is made a part of this Agreement.

(62r) (3) Disputes concerning the Apprentices and Skilled Trades Sections of this Agreement may be appealed to the Umpire in accordance with Paragraph (47a).

(62r) (4) The provisions of this Main Agreement will apply to apprentices except for the following paragraphs:

(62k)(1)

(62k)(2)

(62k)(3)

(62l)

(62m)

(114)

(62r) (4) (a) Paragraph (55) and Paragraph (62g) [pertaining to advancement] shall not apply to apprentices nor to openings or vacancies in apprentice classifications.

(62r) (4) (b) Paragraphs (55a) and (62g)(1) through (62g)(9) do not apply to apprentices nor to openings or vacancies in apprentice classifications.

(62r) (5) An Apprentice Committee composed of two (2) Union members and two (2) Management members shall be established. The Union shall appoint journeymen/women from the plant as members of the Apprentice Committee, one of whom shall be designated as the Chairperson of the Union members of the Apprentice Committee. Management shall notify the Union of its members, one of whom shall be designated the Apprentice Coordinator.

(a) The Apprentice Committee Chairperson of the Union members of the Apprentice Committee may be substituted for a District Committeeperson and shall be permitted to attend regular Shop Committee meetings for the purpose of assisting in the handling of grievances of apprentices. He/she will be paid his/her regular rate for time spent in such meetings and for making the investigations provided for in this sub-paragraph for the hours he/she would otherwise have worked in the plant. The Chairperson of the Shop Committee may designate the Chairperson of the Union members of the Apprentice Committee, in

lieu of a member of the Shop Committee, to make a further investigation of a grievance filed by an apprentice if further investigation of the case is warranted after appeal to the Shop Committee in accordance with Paragraph (34a) of the Agreement.

(b) The duties and functions of the Apprentice Committee shall be as follows:

(1) To negotiate on issues, involving the effect of the employment of apprentices on the employment of journeymen/women in the trades involved.

(2) To study other matters that may involve the training of apprentices by journeymen/women in the shop. When machinery, equipment or material is introduced or modified and new skills are required in the journeyman/woman classification in the plant, the matter may be reviewed to determine the effect on the shop and related training of apprentices including necessary revision of such training. If requested, arrangements will be made with the Apprentice Coordinator for the Apprentice Committee to investigate the new skills on the plant floor as a part of their review. When a meeting is held with the local educational institution providing related training to implement changes in the related training curriculum, the Union members of the Local Apprentice Committee will be given the opportunity to attend.

(3) To review progress reports of the apprentice shop and related training schedules in meetings of the Apprentice Committee.

(4) Upon request of a member of the Apprentice Committee an individual apprentice's record shall be reviewed in a meeting of the Apprentice Committee once during the last thirty (30) day period prior to completion of the apprentice shop training schedule. Problems involving the improper application of the shop training schedules to individual

apprentices may be raised with supervision and if necessary discussed with the apprentices on the plant floor by the Chairperson or other Union member of the Apprentice Committee.

(5) (a) To interview tested apprentice applicants in accordance with the Apprentice Selection Procedure. Interview results will be combined with test scores by central scoring where separate lists will be developed, one for seniority employee applicants and one for all other applicants, each list to be in descending order of points scored for each classification for which they have applied. The lists for each apprentice classification will be provided by central scoring for review by the Local Apprentice Committee. When apprentices are selected, such selections shall be on the basis of at least two from the seniority employee applicant list for every one selected from the other list in descending order of total point score in accordance with the Apprentice Selection Procedure: however, more selections from the other list may be made in the event sufficient seniority employee applicants are not available. Notwithstanding the above provisions of this Paragraph, laid off apprentices may be placed in the classification from which they were laid off prior to the selection of new applicants from either the seniority employee applicant list or the one from all other applicants.

(5) (b) When either list of qualified applicants for a classification is exhausted, additional qualified applicants may be placed on the list for that classification, but in any event additional qualified applicants will be added to the list at twelve (12) month intervals. Changes in the twelve (12) month interval referred to in this Paragraph may be changed by Delphi Automotive Systems in its Standard Apprentice Plan.

(5) (c) When necessary, the Apprentice Coordinator will make arrangements to tempo-

rarily assign a Union member of the Local Apprentice Committee to another shift for the purpose of interviewing applicants or to handle specified, legitimate apprentice matters. The overtime premium pay provisions of this Agreement are hereby waived in such instances and such changes in shift for this purpose will not result in the payment of overtime premium.

(6) All applications for apprenticeship will be available upon request for review by the Chairperson of the Union members of the Apprentice Committee.

(7) The Local Apprentice Committee will be provided an Interview List containing the name, social security number, date of birth, plant employment information and trades applied for prior to the interview. The Apprentice Committee will also be provided with a copy of the Final Applicant Rankings of qualified applicants eligible for selection for each classification containing the name, and, in the case of employee applicants, the seniority date will be included.

(8) Employees eligible for Tuition Refund who express a desire to enter the apprentice program will be advised by a member of the Local Apprentice Committee of courses that are available through the Tuition Refund program which may help them become better prepared as applicants for apprentice training.

(9) The Apprentice Coordinator and the Chairperson of the Union members of the Apprentice Committee may confer with new apprentices for the purpose of acquainting the apprentices with the role of the Corporation, Local Management, the Union and the Apprentice Committee in the apprentice program and to ascertain that the apprentice understands his/her status and obligations as an apprentice in accordance with the Apprentice Training Agreement.

(10) The Apprentice Coordinator and the Chairperson of the Union members of the Apprentice Committee may confer with apprentices where there are indications that the apprentice is failing to perform his/her obligations as an apprentice.

(11) To evaluate and credit previous experience.

(12) To issue certificates of completion of apprenticeship.

(13) Each six months the Chairperson of the Union members of the Apprentice Committee will be furnished with a list of the number of apprentices in each training period by classification and the number of journeymen/women by classification included in the ratio of apprentices in training to journeymen/women.

(14) Apprentice training matters which are discussed by the Apprentice Committee and are not resolved may be referred to the Corporation's Labor Relations Staff.

(62r) (6) The Apprentice Committee shall meet at a mutually agreed-upon time at least once each thirty (30) days unless otherwise agreed to extend the time between meetings. Each Apprentice Committee person will be paid his regular rate for time spent in such meetings and for the necessary time to properly perform his/her duties and functions provided for in Paragraph (62r)(5)(b) for the hours he/she would otherwise have worked in the plant. Minutes of such meetings will be furnished to the Union members of the Apprentice Committee within fourteen (14) calendar days from the date of the meeting.

(62r) (7) The Standard Apprentice Plan, as revised, shall become effective and is to be followed as of the effective date of this Agreement. For identification a copy of such plan has been signed by the parties hereto.

(62r) (8) The number of new apprentices enrolled each year shall be determined on the basis of the number of journeymen/women employed for the program each year averaged over the preceding twelve (12) months. The ratio of apprentices in training to journeymen/women should not exceed one (1) apprentice to eight (8) journeymen/women. However, the Union agrees that the Corporation can establish a ratio of apprentices to journeymen/women in excess of the one (1) to eight (8) ratio, in accordance with plant needs and tooling programs, but not to exceed a ratio of one (1) apprentice to five (5) journeymen/women. Favorable consideration will be given to requests for deviation below the one (1) to five (5) ratio in instances in which it is anticipated the impact of early retirement will create a skilled manpower shortage. In the event of a reduction of force, the apprentices in excess of the one (1) to eight (8) ratio will be laid off before any journeyman/woman in that classification is laid off, except that a minimum of one (1) apprentice may be retained in each trade. In a reduction in force, apprentices assigned a particular trade who have completed 1832 hours of the total hours required by their Program will be laid off in reverse order of their date of entry into that Program following the layoff of all other apprentices assigned such trade. Apprentices who have completed 1832 hours of the total hours required by their Program and who have been laid off pursuant to the foregoing will be recalled to their respective trade in reverse order of layoff. Except as provided above, the employment of indentured apprentices shall not be governed by seniority rules. Laid off apprentices who may be placed on job openings in the plant shall receive credit toward acquiring and accumulating seniority under Paragraph (49) for the period of employment as an apprentice.

Apprentice Eligibility

(a) Management will review its apprentice training needs and will post on the bulletin boards a list of apprentice openings. In order to be eligible for consideration for apprenticeship, all applicants must meet the requirements for apprentice training as established in the Delphi Automotive Systems Standard Apprentice Plan, including age, education and other tests, such as aptitude tests. To satisfy the education requirement, the applicant must be a high school graduate, or have an equivalent education such as the high school equivalency test or other methods that may be established under the Delphi Automotive Systems Standard Apprentice Plan, or meet the alternative requirements set forth in the Delphi Automotive Systems Standard Apprentice Plan. The new employee applicant must be between the ages of 18 and 44 years, both inclusive (or consistent with applicable State and Federal laws).

(b) If a seniority employee applicant for apprentice training meets all of the requirements for the apprentice program applicable to prospective apprentices, his/her application will be considered with other applicants for the apprentice program and he/she shall be considered as satisfying the age requirement for apprentice training if he/she has not reached his/her 45th birthday. An employee shall have his/her wage rate adjusted to the starting rate of the apprentice rate schedule.

(c) Employees classified as apprentices or journeymen/women are not eligible to file an application for an opening in the apprentice program.

Terms of Apprenticeship

(d) The term of apprenticeship shall be nominally four (4) years in length, but shall be based on the number of hours actually worked. The shop schedule shall be divided into eight (8) periods of 916 hours each.

Related Training

(e) Each apprentice shall be required during the period of this apprentice program, to complete a program of related and supplemental classroom instructions not to exceed 576 hours during a four-year training course. Exceptions up to a maximum of 672 hours may be jointly recommended for specific classifications by the Local Apprentice Committee subject to approval by the Corporation's Labor Relations Staff.

(f) Time spent by the apprentice in connection with related training shall not be considered time worked under this Agreement; nevertheless, time spent by the apprentice in taking required related training shall be paid for at the apprentice's straight time hourly rate.

(g) The Corporation agrees to pay, on behalf of apprentices covered by this Agreement, registration fees and/or tuition required in connection with related training under the apprentice program, but not to exceed 576 hours of related training.

Apprentice Wage Rates

(h) Effective with the effective date of this Agreement, the straight time hourly wage rates (exclusive of Cost-of-Living Allowance and shift premium) for apprentices in the bargaining unit shall be the rates set forth in the following Apprentice Rate schedule:

**Apprentice
Training
Period**

**Hourly
Rate***

1st 916 Hours	<u>\$21.08</u>	
2nd 916 Hours	<u>21.21</u>	
3rd 916 Hours	<u>21.21</u>	plus 9% of "Rate Difference"
4th 916 Hours	<u>21.21</u>	plus 29% of "Rate Difference"
5th 916 Hours	<u>21.21</u>	plus 33% of "Rate Difference"
6th 916 Hours	<u>21.21</u>	plus 48% of "Rate Difference"
7th 916 Hours	<u>21.21</u>	plus 66% of "Rate Difference"
8th 916 Hours	<u>21.21</u>	plus 86% of "Rate Difference"

*The "Rate of Difference" shall be determined by subtracting the sum of \$.20 and the Hourly Rate for the 2nd 916 Hours from the maximum rate established in the Local Wage Agreement for the journeyman/woman classification for which the apprentice is in training. Resultant rates shall be rounded to the nearest 1 cent.

(i) Notwithstanding the foregoing provisions, a seniority employee transferred to apprentice training shall be transferred at his/her current rate or the rate of \$22.74 per hour, whichever is lower, provided, however, that in no event will his/her 1st Period Rate be lower than a rate of ten cents (10¢) over the 1st Period Hourly Rate set forth above. Upon his/her completion of that 1st Period, he/she shall be paid a rate of \$21.57 or his/her first period rate, whichever is higher, and if retained, shall be paid such rate until he/she qualifies for a higher rate in accordance with the Apprentice Rate Schedule.

The \$22.74 and \$21.57 rates shown in the above paragraph will become \$23.42 and \$22.22 on September 18, 2000; \$24.12 and \$22.89 on September 17, 2001; and \$24.84 and \$23.58 on September 16, 2002.

(j) Upon graduation, an apprentice will receive an increase, if retained, to the midpoint of the rate range for the skilled classification to which he/she is assigned.

(k) The above Apprentice Rate Schedule automatically provides for all increases in straight time hourly wage rates which are effective on the effective date of this Agreement. The wage increases provided for in Paragraph (93a) shall be added to the fixed portion of the Hourly Rate in the Apprentice Rate Schedule and to the above stated \$22.74 and \$21.57 rates and the straight time hourly wage rates for individual apprentices shall be determined only in accordance with the provisions of this Paragraph (62r) (8).

(62r) (9) Each apprentice classification in the apprentice program shall be included within the Special Non-interchangeable Occupational Group to which it is assigned. (See Seniority Section "B-II")

(62r) (10) Upon graduation or transfer to another classification, the seniority of the apprentice shall start from the date of the Apprentice Training Agreement or his/her plant seniority date established pursuant to Paragraph (49), whichever is later.

(62r) (11) Any problems involving apprentice related training schedules which cannot be settled by the Apprentice Committee shall not be subject to the grievance procedure. Such problems will be reviewed by the Corporation's Labor Relations Staff.

(62r) (12) Credit for previous related experience in military service, an apprentice training program, or a skilled trades classification in any plant, may be given up to the total time required on any phase of the apprentice shop training or related training schedules. Credit for such previous experience shall be given the apprentice at the time he/she has satisfactorily demonstrated that he/she possesses such previous experience and is able to do the job. Related training credit shall be given the apprentice at the time that he/she has demonstrated that he/she possesses the educational knowledge for which he/she is requesting credit under

the related training schedule. At the time such credit is given, the apprentice's wage rate shall be correspondingly adjusted within the apprentice rate schedule based on the amount of credit given toward completion of the shop training schedule.

(a) Any dispute over such credit shall be referred to the Delphi Labor Relations Staff.

Skilled Trades and Apprentice Committee

(62s) A Skilled Trades and Apprentice Committee will be established composed of three (3) Corporation representatives and three (3) Union representatives. It is agreed it is desirable that one of the Union committee members be a journeyman/woman from the plant and one Corporation committee member be a member of supervision from a department in which skilled trades employees are assigned.

The Committee shall meet at a mutually agreed upon time but not more frequently than once each thirty (30) days. The duties of the Committee shall be as follows:

(1) Review and recommend revisions to the Delphi Automotive Systems Standard Apprentice Plan.

(2) Recommend new apprentice training schedules for classifications in which such schedules are not included in the Delphi Automotive Systems Standard Apprentice Plan.

(3) Review the status of Helper Programs in accordance with Appendix "H".

(4) To deal with other matters concerning apprentice and Skilled Trades sections of the Agreement.

(5) To approve Pre-Apprentice Training Programs and to review and make disposition of other apprentice training matters referred to the Committee by the local Apprentice Committee.

(62t) Upon completion of apprenticeship, a Delphi Automotive Systems Standard Apprentice Plan certificate shall be issued by the Corporation to the apprentice. The local Apprentice Committee will recommend to the Bureau of Apprenticeship and Training, U.S. Department of Labor, or to the State agency, where appropriate, that a certificate signifying completion of the apprenticeship be issued to the apprentice.

(62u) As soon as practicable after being placed in an apprentice group, the apprentice will be furnished an appropriate tool box which will become the property of the apprentice upon graduation. At the same time, and also upon satisfactory completion of the first period of 916 hours of work, he/she will be paid an allowance of \$150.00 for the purchase of tools, books and supplies. Upon satisfactory completion of the second, third, fourth, fifth, sixth and seventh periods of 916 hours of work in the apprentice program, the apprentice will be paid \$100.00 for the purchase of tools, books and supplies. Management will assist the apprentice in obtaining tools. Upon completion of all shop and related training requirements and graduation, the apprentice will receive the balance, if any, of the total allowance of \$1,000.00 less any tool allowance payments previously received.

Wage Rates of "Helpers"

(62v) (1) The wage rate ranges and classifications for Helpers to skilled trades classifications shall be shown in the Helper Wage Schedule Agreement dated December 8, 1999.

(2) Any employee transferred to one of the Helper classifications listed in the foregoing schedule Helper Wage Schedule Agreement will receive not less than the minimum of the established rate range for that Helper classification, or the rate he/she has been earning, whichever rate is higher at the time, except in no event will the rate paid at the time of

transfer exceed the mid-point of the rate range of the "Helper" classification to which he/she is transferred. Such an employee will be granted a rate increase in accordance with the appropriate Helper Wage Schedule only after completing the required number of "weeks worked" which equate with the increment in the Helper Wage Schedule where the employee started.

Any employee hired into a Helper classification will receive not less than the minimum of the established rate range for that classification.

Thereafter, the employee shall be stepped up not less than five cents (5¢) at the conclusion of each twenty-four (24) week period worked for five (5) such periods and then at each twelve (12) week period worked, if retained, until he/she reaches the point in the rate range for the Helper classification in which he/she is working equivalent to the minimum of the rate range of the Skilled classification to which his/her Helper classification attaches.

(3) In computing credit for "weeks worked" for the purposes of Paragraph (62v)(2), the employee shall be credited with all actual hours of work performed, forty (40.0) actual hours equaling "one week worked."

(4) An employee who has been assigned a Helper classification and is later laid off due to a reduction in force, will receive the same level of wage rate he/she had attained prior to such layoff, if recalled to that same Helper classification, provided he/she does not break his/her seniority.

(5) An employee who completes the related training schedule provided for in Paragraph (62w) and who has accumulated experience in one of these Helper classifications for the specified period of time set forth in Appendix "H" for Helpers to qualify for Journeyman/woman status, will be reclassified to Journeyman/woman status provided he/she is currently

assigned a Helper classification and there are no employees with greater seniority than such Helper employee then laid off from the Skilled classification to which said Helper classification attaches.

(6) Upon being reclassified to Journeyman/woman status in accordance with sub-paragraph (5) above, the employee shall receive an increase to not less than the mid-point of the rate range for that job classification.

Related Training - Helpers - to Skilled Trades Classification

(62w) (1) The Corporation has developed related training schedules totaling approximately two hundred seventy-five (275) hours for each of the Helper classifications listed in Paragraph (62v)(1) in which there are then employees working. Exceptions up to a maximum of 375 hours for Helper programs may be jointly recommended by the President of the Local Union and the local plant Management subject to approval of the Delphi Automotive Systems Labor Relations Staff.

(2) An employee who establishes a date of entry into one of the Helper classifications on or after January 22, 1968 shall be required to attend the related training courses established for that classification during the first four (4) years of work as a Helper employee. Removal of an employee from the Helper classification shall be based on the employee's failure or inability to perform the work of the classification in the plant. Failure to attend related training classes or achieve passing grades, will also be cause for removal from the classification after having been counseled to do so.

(3) Time spent by a "Helper" employee in connection with required related training, shall not be considered time worked under this Agreement, nevertheless, time spent by a "Helper" employee in taking

required related training, but not to exceed the hours specified in Paragraph (62w)(1), shall be paid for at the employee's straight time hourly rate.

(4) The Corporation agrees to pay, on behalf of the "Helper" employee covered by this Agreement, registration fees and/or tuition required in connection with related training under this "Helper" program, but not in excess of the hours specified in Paragraph (62w)(1).

(5) The Corporation will periodically notify the President of the Local Union in writing of the names of employees who have been reclassified from a Helper classification to Journeyman/woman status.

General Provisions - Skilled Trades

(62x) (1) Upon becoming classified as a Journeyman/woman, a Seniority B-II employee shall receive a rate not less than the mid-point of the rate range for his/her job classification except that such an employee shall receive the maximum rate of his/her classification within three (3) months from the date on which he/she is so classified or acquires special occupational group seniority, whichever is later.

(62x) (2) The term "journeyman/woman" when used in this Agreement means an employee who: (a) has satisfactorily completed a bonafied apprentice training course with similar standards to the Delphi Apprentice Training Program; or (b) has properly carried such journeyman/woman status in a Delphi Automotive Systems plant; or (c) has been reclassified as a journeyman/woman under the skilled trades section of this Agreement; or, (d) one, newly hired, who meets one of the above alternative requirements or can prove that he/she has worked in the trade at least 8 years. Copies of any documents presented pursuant to this provision will be furnished to the Chairperson of the Shop Committee upon request.

(62x) (3) (a) The Chairperson of the Shop Committee may request the Labor Relations Supervisor to arrange a special conference to hear the skilled trades representative's views concerning problems in connection with work assignments of employees in skilled trades classifications and to discuss the matter. Such special conference will be attended by two committeepersons representing employees in skilled trades classifications, a representative of the section of the Management organization in charge of the skilled trades activity involved, and a representative of Labor Relations. In addition the Chairperson of the Local Shop Committee or the Local Union President and another representative of Management may attend the conference.

(62x) (3) (b) If the matter involves the appropriateness of the work assignment of employees in skilled trades classifications and is resolved, the settlement will be reduced to writing within seven (7) calendar days from the date of the settlement unless otherwise agreed to by the parties. If the matter is not resolved, the Union may reduce the matter to writing in a statement setting forth all the facts and circumstances surrounding the case and the position taken by the Union. The statement will be presented to Management within ten (10) working days of the special conference. Within five (5) working days thereafter, Management will prepare and give to the Union a complete statement of the facts of the case and the reasons for the position taken.

(62x) (3) (c) If in its judgment the matter warrants appeal, the Union may within thirty (30) days of receipt of the statements, appeal the matter to Step Four of the Grievance Procedure.

(62x) (3) (d) If the parties are unable to resolve the case within three (3) months of the date of appeal or any mutual extension of said period, the case may be withdrawn without prejudice by the Union or may

be appealed to the Impartial Umpire for final and binding decision. Upon the submission of a case to the Umpire, the parties will make an effort to provide the Umpire with a jointly agreed upon set of specific criteria to guide his/her decision in each case.

(62y) (1) Employees of an outside contractor will not be utilized in a plant covered by this Agreement to replace seniority employees on production assembly or manufacturing work, or fabrication of tools, dies, jigs, and fixtures, normally and historically performed by them, when performance of such work involves the use of Corporation-owned machines, tools, or equipment maintained by Corporation employees.

(2) The foregoing shall not affect the right of the Corporation to continue arrangements currently in effect; nor shall it limit the fulfillment of normal warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.

(3) It is the policy of the Corporation to fully utilize its seniority employees in maintenance skilled trades classification in the performance of maintenance and construction work, as set forth in its letter dated May 10, 1982 (Appendix "J") to the Union on this subject.

(4) In all cases, except where time and circumstances prevent it, Management will hold advance discussion with and provide advance written notice to a specified member of the Local Union's Skilled Trades and Apprentice Committee or the District Committee person representing Maintenance Department employees who work in the plant located nearest the plant's Main Purchasing Office, and the Chairperson of the Shop Committee, prior to letting a contract for the performance of maintenance and construction work. In this discussion, Management is expected to review its plans or prospects for letting a particular contract. The written notice will describe the nature, scope and approximate dates of the work to be per-

formed and the reasons (equipment, manpower, etc.) why Management is contemplating contracting out the work. Further, this written notice will include the type and duration of warranty work.

At such times, Management representative(s) are expected to afford the Local Union representative(s) an opportunity to comment on the Management's plans and to give appropriate weight to those comments in the light of all attendant circumstances. When Journeymen/women diemaking or tool making employees are on layoff or become laid off as a result of the plant's subcontracting work normally performed by them, Management will, except where time and circumstances prevent it, hold such advance discussion of contracts for the performance of major die construction work or major tooling construction programs of the type normally performed by such employees.

(5) In no event shall any seniority employee who customarily performs the work in question be laid off as a direct and immediate result of work being performed by any outside contractor on the plant premises.

(62z) The Corporation will periodically notify the President of the Local Union in writing of the names of employees who complete ten (10) years as a journeyman/woman or two (2) years as a Helper and eight (8) years as a journeyman/woman in a skilled trades classification.

SENIORITY GENERAL PROVISIONS

For Non-Interchangeable Occupational Groups as established in Seniority Sections B-I and B-II:

(63a) The employment of the following persons shall not be governed by seniority rules: exceptional employees as defined below, students and graduates of technical or professional schools, and special em-

employees receiving training as a part of a formal training course. Exceptional employees are employees who have a skill needed in facilitating the start of a new model or at times when working forces are reduced. A separate list of such exceptional employees will be posted in the Employment Department and be available to the committee persons. An up-to-date copy of the posted list will be mailed to the Chairperson of the Shop Committee within three (3) working days following any change in the names on the list. In assigning employees to this list when ability, merit, and capacity are equal, employees with the longest seniority will be given preference. Any employee whose name is removed from this list will be subject to the rules regarding seniority. Any complaint by the Union in regard to the listing of any employee on the list shall be handled according to the Grievance Procedure.

(1) With the exception of employees assigned long time training jobs pursuant to Paragraph (63a), a separate list of employees, necessary to meet the production schedules for a temporary period at a time of reduced production, will be supplied to the Union prior to the time said employees are assigned this list.

The Corporation will submit the facts and problems attendant to the reason these employees cannot be laid off or transferred in line with their plant-wide seniority. Upon submission of this information to the Local Union, a meeting will be arranged promptly between the Corporation and the Local Union Negotiating Committee to discuss the reasons these layoffs or transfer moves cannot be made in line with their plant-wide seniority. Employees retained in accordance with this paragraph shall be replaced by greater seniority employees expediently.

Any complaint by the Union in regard to the listing of any employee on the list shall be handled according to the Grievance Procedure.

(63b) As outlined in Paragraph (48) and Paragraph (62), two separate types of seniority provisions have been established:

(i) Non-interchangeable occupational groups as listed in Seniority Section B-I.

(ii) Special non-interchangeable occupational groups as listed in Seniority Section B-II.

Since seniority is one of the basic eligibility requirements for Holiday Pay, as outlined in Paragraph (101); for Vacation Entitlement, as outlined in Paragraph (119); and Bereavement Pay, as outlined in Paragraph (126a), as well as the Delphi Automotive Systems Income Security Plan, it is agreed to accord benefits to employees under the provisions of Paragraph (101), Paragraph (119), Paragraph (126a) and the Delphi Automotive Systems Income Security Plan as referred to in Paragraph (130), by computing "seniority" for the purpose of these four paragraphs only, on the following basis:

(1) Working for the Corporation in the bargaining unit a total of ninety (90) days in six (6) continuous months shall establish "service seniority" for the purpose of these four paragraphs as though the employee accumulated seniority under the provisions of Paragraph (49).

(2) An employee shall lose his/her "service seniority" on the same basis as seniority is lost as provided in Paragraph (51) and the Leave of Absence section.

(3) Except for employees who have lost "service seniority" under the provisions of Paragraph (63b)(2) above, service or seniority lost under the provisions of Paragraphs (51e)(2), (62c), (62d)(5), and (62d)(10), shall continue to be included in computing total "service seniority" provided the employee meets one or more of the following requirements:

(a) The employee retains seniority acquired under the provisions of Seniority Section B-I.

(b) The employee retains seniority acquired under the provisions of Seniority Section B-II.

(c) The employee retains "service seniority" which would have been established seniority for the employee under the provisions of Seniority Section B-I had the employee worked during a similar period in a non-interchangeable occupational group covered by Seniority Section B-I.

(4) Employees who have established "service seniority" must otherwise meet the eligibility requirements of Paragraph (101), Paragraph (119), Paragraph (126a) and the Delphi Automotive Systems Income Security Plan as referred to in Paragraph (130), to receive Holiday Pay and/or Vacation Pay, Bereavement Pay and/or benefits under the Delphi Automotive Systems Income Security Plan.

(63c) The President, one (1) Vice President, the Secretary, the Treasurer, not more than seven (7) other Executive Board Members of the Local Union, the Local Union Benefit Representative(s), the Local Union Health and Safety Representative(s), the Chairperson of the Shop Committee and Local Union members who have been approved by the Local Union Executive Board as being involved in the in-plant administration of the provisions of the current Agreement as specified in Paragraph (15c) (1) and of whom the Corporation has been previously notified, if actively employed by the Corporation, shall, at the point where they would be subject to layoff from the plant in a reduction of force, be retained at work in the plant regardless of their seniority, provided they can do a job that is operating, and paid at the existing rate for such job. This will not apply in cases of temporary layoffs for model change, inventory, material shortages, machine breakdown, etc. but will be applicable only in cases of extended periods of reduced production as outlined in Paragraph (60a) of this Agreement.

SENIORITY LISTS

(63d) Up-to-date lists showing employees in each occupational group by name will be posted in each department. The date shown with each name will be the seniority date for each employee with seniority and the hire date for each temporary employee.

(63e) The list described in Paragraph (63d) will be furnished to the Union once each month.

DISCIPLINARY LAYOFFS AND DISCHARGES

(64) Any employee who has been disciplined by a layoff or a discharge will be advised of his/her right to representation, either verbally or written, and may request the presence of a committeeperson as outlined in the District Committeeperson Section of this Agreement to discuss the case with him/her in an office designated by supervision before he/she is required to leave the plant. Unless satisfactory reason exists, the committeeperson will be called promptly.

(64a) Whether a committeeperson is called or not, an employee disciplined by a suspension, layoff or discharge, will be advised of the reason therefore on a form provided by the Corporation, before the employee is required to leave the plant. Whether called or not, the committeeperson will be advised in writing within one working day of 24 hours of the fact of written reprimand, suspension, layoff or discharge and will be given a copy of the statement given to the employee. After a suspension has been converted to a layoff or discharge, the committeeperson will be notified in writing of the fact of layoff or discharge.

(64b) The employee will be tendered a copy of any warning, reprimand, suspension or disciplinary layoff entered on his/her personnel record, within three days of the action taken. In imposing discipline on a current charge, Management will not take into account

any prior infractions which occurred more than three years previously. Further, Management will eliminate from an employees record any infraction where there was a lapse of time of greater than 18 months between infractions provided the employee has not been on leave of absence the majority of the time between the infractions. Also Management will not impose discipline on an employee for falsification of his/her employment application after a period of twelve (12) months from his/her date of hire.

(65) It is important that complaints regarding unjust or discriminatory layoffs or discharges be handled promptly according to the Grievance Procedure. Such grievances must be filed within three (3) working days of the date of notification of the extent of the penalty layoff or of notification of discharge. The answer will be given within one (1) working day. If not satisfactorily settled, it may be appealed in line with Step Three of the Grievance Procedure.

(66) Any employee who is removed from his/her work and taken to an office for interview will be advised that he/she may, if he/she so desires, call the committeeperson for his/her district to be present with him/her during such interview. The committeeperson, however, will be present as a witness for the employee, and to represent him/her if the employee has a grievance as a result of the interview.

STANDARDS OF PRODUCTION

(67) The standards of production shall be established by Management on the basis of fairness and equity consistent with the quality of workmanship, efficiency of operations and the reasonable working capacities of normal operators.

(68) When a dispute arises regarding the standards of production established or changed by Management, the complaint should be taken up with the grievant's

Advisor. The employee may request the presence of his/her committeeperson called pursuant to the Paragraph (15a) Committeeperson Sequence Call Chart, during the discussion.

(69) A committeeperson may request to examine the job with the Advisor at that time. If there is still a dispute after the committeeperson has completed his/her examination, the Advisor will then re-examine the operation in detail.

(70) After the Advisor has had a reasonable time to re-evaluate the job after his/her re-examination, which shall not be more than two (2) working days following the committeeperson's examination of the job, he/she shall meet with the committeeperson and the employee and attempt to adjust the grievance at that step. If the matter has not been adjusted at that stage, it may be further appealed by filing a written grievance signed by the employee, claiming violation of Paragraph (67).

(71) The Time Study person will then re-examine the operations in detail. Following this re-examination, the Advisor will give his/her written answer to the grievance within two (2) days of this re-examination, unless the time is extended by mutual agreement between the Advisor and the committeeperson. A meeting called in which the Advisor's written answer is presented to the employee and the committeeperson may be attended by the departmental Advisor or supervisor.

(72) If the grievance is not settled at this step, the case may be appealed to a Special Step of the Grievance Procedure. Except as provided in Paragraph (72a), the notice of appeal to this Special Step shall be accompanied by a written statement prepared by the Chairperson or designated member of the Shop Committee setting forth the alleged facts and circumstances of the case, the Union's position and signed by the Chairperson of the Shop Committee.

(72a) If the Union requests to make a further investigation of the case in accordance with the provisions of Paragraph (74), submission of the written statement required to accompany the notice of appeal pursuant to Paragraph (72) may be deferred and in each situation the written statement shall be submitted to the Corporation by the Union within two (2) weeks following the completion of such investigation instead of at the time the notice of appeal is submitted.

(72b) Grievances must be appealed in compliance with the foregoing provisions of Paragraph (72) and (72a) as the case may be and within four (4) weeks of the answer provided pursuant to Paragraph (71), or they shall be considered settled on the basis of the last decision and not subject to further appeal unless otherwise mutually agreed before expiration of the specific time limit of four (4) weeks set out herein.

(73) Upon receipt by the Corporation of such appeal and accompanying written statement required by Paragraph (72) or (72a) as the case may be, the case will be considered at this Special Step of the Grievance Procedure by not more than three (3) representatives of the Union including the Shop Committee Chairperson, the committeeperson who filed the grievance plus one other local union member designated to review this type case and not more than three (3) representatives of Management, at least one of whom shall be a member of higher supervision. The date of such meeting will be arranged not later than seven (7) days from the date of notice of appeal and receipt of the accompanying written statement pursuant to Paragraph (72) or in the event an investigation is arranged and conducted pursuant to Paragraph (74), not later than seven (7) days following the conclusion of the investigation and receipt by the Corporation of the accompanying written statement required by Paragraph (72a) unless otherwise mutually agreed.

(74) After a case is appealed to the Special Step and prior to the meeting on the case at that Step, one of the Union committeepersons or local Union members who will participate in the Special Step meeting may make a further investigation of the case if such request is given to Management. Management will be furnished with the name of the Special Step Meeting member designated to make the investigation. Thereafter, Management will arrange for the investigation with the Union. The parties agree it is of mutual interest to conduct such investigation within two (2) weeks from the date it is requested providing existing circumstances permit.

(75) Within five (5) working days following the conclusion of the Special Step meeting, a Management member who participated in such meeting will give a written answer.

(76) If the case is not settled at the Special Step, it may be appealed in accordance with the Grievance Procedure Section of the Agreement starting at Step Four at Paragraph (36a). In making an appeal to Step Four of a grievance filed pursuant to Paragraph (70) there shall be no requirement upon the Union to accompany such appeal with the written statement required in the Fourth Step of the Grievance Procedure except that the Union shall supplement its written statement which accompanied the appeal to the Special Step in accordance with Paragraph (72) or (72a) as the case may be in the event any pertinent fact or facts have been added to the grievance after it was answered by Management at the Special Step in accordance with Paragraph (75). The written answer provided in accordance with Paragraph (75) shall for the purposes of the Grievance Procedure constitute Management's answer at Step Three.

(77) If the grievance is not appealed within the forty-five (45) day time limit set forth in Paragraph (36d) of the Grievance Procedure, the grievance shall be considered settled on the basis of the last decision.

(78) The time limits specified above may be extended by mutual agreement in writing.

(79) Any case not appealed from one step of this procedure to the next within the time limits specified will be considered closed on the basis of the last decision given.

WORKING HOURS **(For the Purpose of Computing Overtime Premium Pay)**

(80) For the purpose of this section on working hours, the employees' working week shall be the calendar week beginning at 11:00 P.M. on Sunday and the first calendar day of the week (Monday) shall begin at 11:00 P.M. Sunday except in those specific cases where regular earlier starting times are established.

(81a) Saturday is defined as the period from 11:00 P.M. Friday to 11:00 P.M. Saturday, except in those specific cases where regular earlier starting and/or later quitting times are established.

(81b) Sunday is defined as the period from 11:00 P.M. Saturday to 11:00 P.M. Sunday, except in those specific cases where regular earlier starting and/or later quitting times are established.

(81c) A holiday is defined as the period from 11:00 P.M. on the previous day to 11:00 P.M. on the holiday, except in those specific cases where regular earlier starting and/or later quitting times are established.

(81d) The regular earlier starting and/or later quitting times established in accordance with the above exceptions, shall not exceed one (1) hour.

(82) All hourly rated employees, except employees working on special or rotating tricks, will be compensated as follows:

Straight Time.

(83) Employees will be compensated at straight time for hours worked except as otherwise provided in this Working Hours Section.

Time and One-Half

(84a) Employees will be compensated at the rate of time and one-half for hours worked in excess of eight (8) hours worked at straight time within any continuous twenty-four (24) hour period which shall begin at the time the employee first starts to work at straight time or, if tardy, the time he/she should have started to work at straight time, whichever is earlier, on any calendar day. In the event Management grants permission at the employee's own request to transfer from one shift to another, time and one-half shall not be paid.

(84b) Employees will be compensated at the rate of time and one-half for hours worked on Saturday except as provided in Paragraph (86a).

(84c) Time and one-half shall be paid for those hours worked on a day following a holiday or a Sunday which are in excess of eight (8) hours worked on such holiday or Sunday but within the same twenty-four (24) hour period beginning with the time the employee started to work on such holiday or Sunday, or, if tardy, when he/she should have started to work on such holiday or Sunday, whichever is earlier.

Double Time

(85) Employees will be compensated at the rate of double time as follows:

(85a) For hours worked on Sunday and on each holiday specified in Paragraph (101).

Exceptions to Above Overtime Payment

(86a) Employees working in necessary continuous seven-day operations whose occupations involve work

on Saturdays and Sundays shall be paid time and one-half for work on these days only for time worked in excess of eight hours per day or in excess of forty hours in the employee's working week, for which overtime has not already been earned, except as otherwise provided in Paragraph (1) below:

(1) Such employees shall be paid time and one-half for hours worked on the employee's sixth work day in the week.

(2) Such employees shall be paid double time for hours worked on the seventh work day in the calendar week if the seventh work day results from the employee being required to work on his/her scheduled off day(s) in that calendar week, or for hours worked on a Sunday if that Sunday is his/her second scheduled off day in that calendar week.

(3) Such employees will be paid double time and one-half (2.50 times straight time) for the first eight (8) hours worked on any shift that starts on any of the holidays listed in Paragraph (85a); for time worked on the calendar holiday in excess of the first eight (8) hours worked on any shift that starts on any such holiday; and for time worked on the calendar holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into any such holiday; provided, however, that if the particular holiday falls on the employee's regularly scheduled off day(s) and he receives holiday pay pursuant to Paragraph (101d) of this Agreement, he/she will be paid double time instead of double time and one-half for such hours worked. In the case of employees who work 6 or 7 days during the work week, the first eight (8) hours worked at double time and one-half or double time, as the case may be, on shifts starting on such holidays shall be counted in computing overtime for work in excess of 40 hours in the employee's working week.

(4) Such employees will be paid time and one quarter (1.25 times straight time) for hours worked on the seventh work day in the calendar week beginning Monday, unless such hours are payable at an overtime premium rate under any other provisions of this Agreement.

(5) If such an employee receives holiday pay pursuant to Paragraph (101d) for a particular holiday on which he/she does not work, that holiday will be counted as a day worked for the purpose of computing six or seven day premium under sub-paragraphs (1), (2) and (4) above.

Additional Payment

(86b) Employees working in necessary continuous seven-day operations, as defined in Paragraph (86a), shall be paid an additional twenty-five (\$.25) cents per hour for all time worked while so assigned which shall be included in computing vacation entitlement pay, Independence Week shutdown pay, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, overtime and night shift premium.

Non-Duplication

(87) Premium payments shall not be duplicated for the same hours worked under any of the terms of this working hours section.

SHIFT ASSIGNMENTS

(88) Within practical limitations, employees with longest seniority within their job classifications will be assigned to the most desirable shift. Therefore, in determining the employee's shift, providing all other factors are equal and there is no resulting loss in efficiency of operation or quality of workmanship, seniority will prevail. However, due to the various factors

which determine the practical aspects of this problem, the Management reserves the right to make exceptions to this policy for temporary periods, the length of such temporary periods to be determined by negotiation on the basis of conditions existing at that time.

SPECIAL THREE-SHIFT OPERATIONS

(88a) This paragraph is not intended to change any present practice, or preclude the re-adoption of a prior practice, whereby it is possible to schedule certain operations on a three-shift, eight hours of work per shift basis with special provisions for lunch. Where it is not possible or practicable on three-shift operations to establish schedules of 8 hours of work each shift, work shifts will be established on the basis of arrangements for a lunch period not in excess of 20 minutes being provided during the shift period without loss of pay.

The above provisions shall not preclude necessary temporary variations in schedules.

The above provisions shall not be applicable in any plant located in a state wherein a statute or administrative ruling requires the granting or establishment of lunch or meal periods of more than 20 minutes.

(88b) The District Committeeperson will be notified of any permanent change in established shift hours or lunch periods in this district.

WAGES

(89) The wage rates for the presently established classifications shall be maintained for the life of this Agreement except as provided hereunder:

In the event of a substantial change in the job requirements of any existing job classifications, such change may be made a subject of negotiation by either party.

(90a) It is recognized that new jobs will be introduced from time to time which are not covered by the existing job classifications. When such jobs are introduced and are not, or cannot be, properly placed in existing classifications, Management will set up a new classification, description and rate covering the job in question and will designate it as temporary.

(90b) The Corporation will advise the Union when a new job is introduced and placed into an existing classification which differs somewhat from the general line of jobs covered by that classification or when a new job classification is established.

(91) The Union will be notified of a new classification title and rate within a three (3) working day period following the assignment of an employee to such newly established job classification. The temporary rate for such job shall be consistent with the wage schedule now established for similar jobs throughout the plant. A copy of the temporary rate, description and classification name will be mailed to the Local Union office and addressed to the Local Union President, not later than thirty (30) days after the job is put into operation by a production employee.

(92) As soon as possible after machinery and other equipment has been installed and, in any event, within thirty (30) calendar days after a production employee has been placed on the job, the Union and Management shall negotiate the rate and classification, and when negotiations are complete, such classification and rate shall become a part of the local wage agreement, and the negotiated rate, if higher than the temporary rate, shall be applied retroactively to the date the production employee started on the job, except that retroactive payment shall in no event exceed three hundred (300) working days. For the purpose of computing the period of retroactive payment, if any, pursuant to this provision only, "working days" shall include the first

five (5) days of the calendar week (Monday through Friday). Payments as provided herein will be made promptly consistent with the computational requirements in each instance.

Following computation of each such adjustment, the Union, upon request, will be furnished a listing containing the name of each employee to whom the Corporation will make payment and the amount of payment.

(92a) The President of the Local Union will be permitted entry into the plant for the purpose of reviewing the new job classification and rate which has been submitted by the Corporation to negotiations as outlined in Paragraph (91). A member of the local Union who is an employee of the Corporation or the Local Union Vice President may accompany the President during such visit. The Local Union Vice President may be substituted for the President during such visit. Such entry will occur only after the following procedure has been complied with:

(1) The arrangement for entry into the plant must be made with local Management previous to the date such entry is desired. This may be made verbally. The name of the other local Union member who is to accompany either the President or the Vice President, as the case may be, will also be submitted at this time.

(2) A time during regular working hours which is mutually agreeable for such visit will be arranged.

(3) Management representatives may accompany the President or Vice President and local Union member during such visit.

(93a) General Increases. Effective September 20, 1999, September 18, 2000, September 17, 2001, and September 16, 2002 each employee covered by this

agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost of living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

<u>Straight Time</u> <u>Hourly</u> <u>Wage Rates</u>	<u>Improvement</u> <u>Factor Increases</u>
Less than - 10.83	32¢
10.84 - 11.16	33¢
11.17 - 11.49	34¢
11.50 - 11.83	35¢
11.84 - 12.16	36¢
12.17 - 12.49	37¢
12.50 - 12.83	38¢
12.84 - 13.16	39¢
13.17 - 13.49	40¢
13.50 - 13.83	41¢
13.84 - 14.16	42¢
14.17 - 14.49	43¢
14.50 - 14.83	44¢
14.84 - 15.16	45¢
15.17 - 15.49	46¢
15.50 - 15.83	47¢
15.84 - 16.16	48¢
16.17 - 16.49	49¢
16.50 - 16.83	50¢
16.84 - 17.16	51¢
17.17 - 17.49	52¢
17.50 - 17.83	53¢
17.84 - 18.16	54¢
18.17 - 18.49	55¢
18.50 - 18.83	56¢
18.84 - 19.16	57¢

19.17 - 19.49	58¢
19.50 - 19.83	59¢
19.84 - 20.16	60¢
20.17 - 20.49	61¢
20.50 - 20.83	62¢
20.84 - 21.16	63¢
21.17 - 21.49	64¢
21.50 - 21.83	65¢
21.84 - 22.16	66¢
22.17 - 22.49	67¢
22.50 - 22.83	68¢
22.84 - 23.16	69¢
23.17 - 23.49	70¢
23.50 - 23.83	71¢
23.84 - 24.16	72¢
24.17 - 24.49	73¢
24.50 - 24.83	74¢
24.84 - 25.16	75¢
25.17 - 25.49	76¢
25.50 - 25.83	77¢
25.84 - 26.16	78¢
26.17 - 26.49	79¢
26.50 - 26.83	80¢
26.84 - 27.16	81¢
27.17 - 27.49	82¢
27.50 - 27.83	83¢
27.84 - 28.16	84¢
28.17 - 28.49	85¢
28.50 - 28.83	86¢
28.84 - 29.16	87¢
29.17 - 29.49	88¢
29.50 - 29.83	89¢
29.84 - 30.16	90¢

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

The wage increase provided above shall be paid retroactively for all hours worked on and after September 20, 1999, provided however, that for purpose of applying Exhibits A, B, D and E, attached hereto, and letter agreements with respect thereto, the wage rate of an employee shall not be increased by such wage increase prior to the effective date of this Agreement.

Cost of Living Allowance

(94a) Each employee covered by this Agreement shall receive a Cost of Living Allowance in accordance with the provisions of Paragraphs (94c) and (94f).

(94b) It is agreed that only the Cost of Living Allowance will be subject to reduction so that, if a sufficient decline in the cost of living occurs, employees will immediately enjoy a better standard of living.

(94c) The Cost of Living Allowance provided for in Paragraph (94a) shall be added to each employee's straight time hourly rate and will be adjusted up or down as provided in Paragraphs (94e) and (94f).

(94d) The Cost of Living Allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (revised CPI-W) (United States City Average) published by the Bureau of Labor Statistics (1967=100).

(94e) Effective with the date of this Agreement, but after the application of the wage increase provided in Paragraph (93a), \$.85 shall be deducted from the \$.90 Cost of Living Allowance in effect immediately prior to that date and \$.85 shall be added to the base wage rates (minimum, intermediary and maximum) for each classification in effect on that date. Thereafter during the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

Effective Date of Adjustment	Based Upon Three- Month Average of the Consumer Price Index For
December <u>6</u> , 1999	August, September, October 1999
First Pay Period beginning on or after: March 1, <u>2000</u> and at three-calendar month intervals thereafter to June 1, <u>2003</u> .	November, December, 1999 and January <u>2000</u> and at three-calendar month intervals thereafter to February, March, April <u>2003</u> .

In determining the three-month average of the indexes for a specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

In no event will a decline in the three-month Combined Consumer Price Index below 484.1 provide the basis for a reduction in the wage scale by job classification.

(94f) The amount of the Cost of Living Allowance shall be five cents (5¢) per hour effective with the effective date of this Agreement and ending December 5, 1999. Effective December 6, 1999, and for any period thereafter as provided in Paragraphs (94b) and (94e), the Cost of Living Allowance shall be in accordance with the following table:

Three-Month Average Consumer Price Index	Cost-of-Living Allowance
<u>484.1</u> or less	None
<u>484.2</u> - <u>484.4</u>	1¢ per hour
<u>484.5</u> - <u>484.6</u>	2¢ per hour
<u>484.7</u> - <u>484.9</u>	3¢ per hour
<u>485.0</u> - <u>485.2</u>	4¢ per hour
<u>485.3</u> - <u>485.4</u>	5¢ per hour
<u>485.5</u> - <u>485.7</u>	6¢ per hour
<u>485.8</u> - <u>485.9</u>	7¢ per hour
<u>486.0</u> - <u>486.2</u>	8¢ per hour
<u>486.3</u> - <u>486.4</u>	9¢ per hour

And so forth with 1¢ adjustment for each 0.25 change in the Average Index and will be calculated in accordance with the Letter of Understanding signed by the parties.

(94g) The amount of any Cost of Living Allowance in effect at the time shall be included in computing overtime premium, night shift premium, vacation payments, Independence Week shutdown pay, holiday payments, call-in pay, bereavement pay, jury duty pay and short term military duty pay.

(94h) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph (94e), any adjustments in the Cost of Living Allowance required by such appropriate index shall be effective at the beginning of the first pay period after receipt of the index.

(94i) No adjustments, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures used in the calculation of the Consumer Price Index for any month or months specified in Paragraph (94e).

(94j) The parties to this Agreement agree that the continuance of the Cost of Living Allowance is dependent upon the availability of the monthly Consumer Price Index published by the Bureau of Labor Statistics in its present form and calculated on the same basis as the current Index unless otherwise agreed upon by the parties. If the Bureau of Labor Statistics changes the form or the basis of calculating the Consumer Price Index, the parties agree to request such agency to make available, for the life of this Agreement, a monthly Consumer Price Index in its present form and calculated on the same basis as the Index was prior to such change.

(95) New employees hired on or after the effective date of this agreement, who do not hold a seniority date in any Delphi Automotive Systems plant which

predates such effective date, shall be hired at a rate equal to seventy (70) percent of the maximum base rate of the job classification. Such employees shall receive an automatic increase to:

- (1) Seventy-five (75) percent of the maximum base rate of the job classification at the expiration of twenty-six (26) weeks.
- (2) Eighty (80) percent of the maximum base rate of the job classification at the expiration of fifty-two (52) weeks.
- (3) Eighty-five (85) percent of the maximum base rate of the job classification at the expiration of seventy-eight (78) weeks.
- (4) Ninety (90) percent of the maximum base rate of the job classification at the expiration of one hundred and four (104) weeks.
- (5) Ninety-five (95) percent of the maximum base rate of the job classification at the expiration of one hundred and thirty (130) weeks.
- (6) The maximum base rate of the job classification at the expiration of one hundred and fifty-six (156) weeks.

Such an employee who is laid off prior to having attained the maximum base rate of the job classification and who is re-employed within one year from the last day worked prior to layoff in the case of an employee who had not previously acquired seniority, or within one year from the date that his/her seniority was broken pursuant to the provisions of Paragraph (51e)(1), shall receive a rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Upon such re-employment, the credited rate progression period of the employee's prior period of employment shall be applied toward his/her rate progression to the maximum base rate of the job classification.

For the purpose of applying the provisions of this Paragraph only, an employee will receive one week's credit toward acquiring the maximum base rate of the job classification provided the employee had worked in that given week. Credit will not be given for any week during which for any reason the employee does not work except as provided in Paragraph (105g) and when the Christmas Holidays consists of a full week, and the Independence Week shutdown provided the employee would otherwise have been scheduled to work. Notwithstanding other provisions of this Agreement, full weeks of time lost for vacation during the Plant Vacation Shutdown Week, bereavement, military duty and Family Medical Leave Act, if the employee would otherwise have been scheduled to work, will be considered as time worked. Each increase shall be effective at the beginning of the first pay period following the completion of the required number of weeks of employment.

(95a) The foregoing Paragraph (95) shall not apply to skilled trades job classifications.

WAGE RATE PROGRESSION

(96) It is understood that local wage agreements consist of the wage scale by job classification as were in effect as of the effective date of this Agreement, plus any written changes, additions or supplements thereto. Any changes, additions or supplements thereto shall be reduced to writing and are subject to the approval of the Corporation.

(97) Wage progression rules within the wage scales of job classifications is a matter of local negotiation and shall be reduced to writing and included as a part of the local wage agreement.

CALL-IN PAY

(98) Except in the case of labor disputes or other conditions beyond the control of Management, employees will receive call-in pay in the amount of four (4) hours pay at his/her regular hourly or base rate under the following conditions, provided he/she is ready for work at the beginning of his/her regular shift:

(98a) Any employee called to work or permitted to come to work without having been properly notified that there will be no work. In the application of this paragraph, "proper notification" shall consist of:

(1) Notifying the employee before the end of his/her shift that there will be no work on his/her next regular shift, or

(2) A telephone call to the telephone number the employee has on file with the Corporation, notifying the employee as far in advance of shift starting time as possible there will be no work for him/her, or in his/her absence, calling such telephone number at least two (2) hours in advance of shift starting time to notify there will be no work for him/her. In order to be eligible, employee must have a correct telephone number on file in the Personnel Office where he/she can be notified or a message left.

(3) Telegrams posted at least four (4) hours in advance of shift starting time, although considered "proper notification" will not be used prior to making a telephone call as provided in Paragraph (98a)(2) above.

(4) A letter mailed by regular first class United States mail to the employee's last known address, in the event there is sufficient time, although considered "proper notification" will not be used prior to making a telephone call as provided in Paragraph (98a)(2) above.

In the application of this paragraph, if an employee does not have a telephone number listed with the Corporation in compliance with and for the purposes of Paragraph (98a)(2) above, there shall, except in those cases where it is known before the end of the shift there will be no work for an employee on his/her next regular shift and the employee is not so notified, be no requirement to pay such employee call-in pay under any of the provisions of this Paragraph (98a), although the Corporation may provide proper notification by telegram or mail service if sufficient time is available and if conditions otherwise permit.

(98b) Sent home before having worked four (4) hours. If an employee is late he/she will be paid from the time he/she rings in until four (4) hours after the regular starting time of his/her shift.

NIGHT SHIFT PREMIUM

(99) A night shift premium of 5% of night shift earnings, including overtime premium pay, will be paid to employees working on a shift scheduled to start on or after 10:30 A.M., but before 6:30 P.M. A night shift premium of 10% of night shift earnings, including overtime premium pay, will be paid to employees working on a shift scheduled to start on or after 6:30 P.M., but before 4:15 A.M.

When an employee whose normal shift begins on or after 4:15 A.M. and before 10:30 A.M. is scheduled to work twelve (12) or more hours, he/she shall be paid a five (5) percent shift premium for all hours worked in excess of eight (8).

When an employee whose normal shift begins on or after 10:30 A.M. and before 6:30 P.M. is scheduled to work more than nine (9) hours and until or beyond 2:00 A.M. he/she shall be paid ten (10) percent shift premium for the hours worked after 12:00 midnight.

(100) For the purpose of calculating shift premium, overtime on a regularly scheduled shift shall be considered as part of that shift.

HOLIDAY PAY

(101) Employees shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:

1st Year

November 15, 1999 Veterans' Day (Observed)

November 25, 1999 Thanksgiving

November 26, 1999 Day after Thanksgiving

December 24, 1999

December 27, 1999

December 28, 1999

December 29, 1999

December 30, 1999

December 31, 1999

} Christmas Holiday Period

January 17, 2000 Martin Luther King, Jr. Day

April 21, 2000 Good Friday

April 24, 2000 Day after Easter

May 26, 2000 Friday before Memorial Day

May 29, 2000 Memorial Day

(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),.

July 4, 2000 Independence Day

September 4, 2000 Labor Day

2nd Year

November 7, 2000 Federal Election Day

November 17, 2000 Veterans' Day (Observed)

November 23, 2000 Thanksgiving

November 24, 2000 Day after Thanksgiving

<u>December 25, 2000</u>	}	<u>Christmas Holiday Period</u>
<u>December 26, 2000</u>		
<u>December 27, 2000</u>		
<u>December 28, 2000</u>		
<u>December 29, 2000</u>		
<u>January 1, 2001</u>		

January 15, 2001 Martin Luther King, Jr. Day

April 13, 2001 Good Friday

April 16, 2001 Day after Easter

May 28, 2001 Memorial Day

(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2001 Independence Day

September 3, 2001 Labor Day

3rd Year

November 16, 2001 Veterans' Day (Observed)

November 22, 2001 Thanksgiving

November 23, 2001 Day after Thanksgiving

December 24, 2001

December 25, 2001

December 26, 2001

December 27, 2001

December 28, 2001

December 31, 2001

January 1, 2002

Christmas Holiday Period

January 21, 2002 Martin Luther King, Jr. Day

March 29, 2002 Good Friday

April 1, 2002 Day after Easter

May 27, 2002 Memorial Day

(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2002 Independence Day

August 30, 2002 Friday before Labor Day

September 2, 2002 Labor Day

4th Year

<u>November 5, 2002</u>	<u>Federal Election Day</u>
<u>November 15, 2002</u>	<u>Veterans' Day</u>
<u>November 28, 2002</u>	<u>Thanksgiving</u>
<u>November 29, 2002</u>	<u>Day after Thanksgiving</u>
<u>December 23, 2002</u>	} <u>Christmas Holiday Period</u>
<u>December 24, 2002</u>	
<u>December 25, 2002</u>	
<u>December 26, 2002</u>	
<u>December 27, 2002</u>	
<u>December 30, 2002</u>	
<u>December 31, 2002</u>	
<u>January 1, 2003</u>	

January 20, 2003 Martin Luther King, Jr. Day

April 18, 2003 Good Friday

April 21, 2003 Day after Easter

May 26, 2003 Memorial Day

(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2003 Independence Day

September 1, 2003 Labor Day

providing they meet all of the following eligibility rules unless otherwise provided herein:

(101a) (1) The employee has seniority as of the date of each specified holiday and as of each of the holidays in each of the Christmas holiday periods, and

(2) The employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and

(3) The employee must have worked the last scheduled work day prior to and the next scheduled work day after each specified holiday within the employee's scheduled work week.

For each Christmas holiday period, the employee must have worked the last scheduled work day prior to each holiday period and the next scheduled work day after each holiday period. Failure to

work either the last scheduled work day prior to or the next scheduled work day after each Christmas holiday period will disqualify the employee for the one holiday in the Christmas holiday period which follows or precedes such scheduled work day.

An employee who retires as of January 1, and who is otherwise eligible for holiday pay for those holidays falling in the Christmas holiday period up to and including December 31, will receive holiday pay for such holiday.

Each of the designated days in the Christmas holiday period shall be a holiday for purposes of this Holiday Pay Section.

(101) (3) In order for employees to have maximum time off during the Christmas Holiday Period, employees will only be scheduled for work on the following days, which are not paid holidays under this Agreement, on a voluntary basis, except in emergency situations:

Saturday, December 25, 1999

Sunday, December 26, 1999

Saturday, January 1, 2000

Sunday, January 2, 2000

Saturday, December 23, 2000

Sunday, December 24, 2000

Saturday, December 30, 2000

Sunday, December 31, 2000

Saturday, December 22, 2001

Sunday, December 23, 2001

Saturday, December 29, 2001

Sunday, December 30, 2001

Saturday, December 21, 2002

Sunday, December 22, 2002

Saturday, December 28, 2002

Sunday, December 29, 2002

An employee shall not be disqualified for holiday pay if he/she does not accept work on such days. This does not apply to employees on necessary continuous seven day operations.

(101b) When a holiday falls on Saturday, eligible employees shall receive holiday pay provided they have worked the last preceding scheduled work day within the week in which that holiday falls.

(101c) (1) An employee eligible for holiday pay under these provisions shall receive eight (8) hours pay for each of the holidays specified in Paragraph (101), computed at their regular straight time hourly rate, exclusive of overtime premium.

(101c) (2) For holidays specified in Paragraph (101), an eligible employee shall have the night shift premium rate which attached to the straight time hours on his/her last straight time day worked preceding the holiday included in the computation of holiday pay paid pursuant to Paragraph (101c)(1).

(101d) Employees whose work is covered by Paragraph (86a) of this Agreement - that is, employees who are working on necessary continuous seven-day operations shall receive holiday pay only in the event the holiday falls on one of their regularly scheduled days off, and they meet the other eligibility requirements of this Holiday Pay Section; provided however, that such employees shall not receive holiday pay if they are scheduled to work on such day off and absent themselves from scheduled work on such holiday without reasonable cause acceptable to Management.

(101e) Employees of Delphi Energy and Chassis Systems, Delphi Automotive Systems, who obtain employment in another Delphi Automotive Systems plant will be eligible for holiday pay during their probationary period provided they have seniority in the home plant as of the date of the holiday and they are otherwise eligible under the terms of these provisions on holiday pay.

(101f) A seniority employee who has been laid off due to reduction of force (except as provided below), or who has gone on sick leave, or on leave of absence for Military Service or on a leave for family and medical reasons, during the work week prior to or during the week in which the holiday falls, shall receive pay for such holiday.

A seniority employee who works in the fourth work week prior to the week in which the Christmas holiday period begins, and who is laid off in a reduction in force during that week, or a seniority employee who is laid off in a reduction in force during the first, second or third work week prior to or during the work week in which the Christmas holiday period begins, shall, if otherwise eligible, receive pay for each of the holidays in the Christmas holiday period providing such employee worked the last scheduled work day prior to such layoff.

A seniority employee who works in the fifth, sixth, or seventh workweek prior to the week in which the Christmas holiday period begins, and who is laid off due to reduction in force during that week, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas holiday period providing such employee worked the last scheduled work day prior to such layoff.

(101g) An employee who has been laid off because of model change, plant re-arrangement or inventory shall be eligible for holiday pay under these holiday provisions for a specified holiday falling within the period of such layoff, provided he/she meets all the following eligibility rules:

(1) The employee has seniority as of the date of the holiday.

(2) The employee is ineligible for holiday pay for the holiday under the other provisions of this Holiday Pay Section.

(3) The employee returns to work during the work week in which the holiday falls or during the work week immediately following the work week in which the holiday falls.

(4) The employee works the first day he/she is scheduled to work following the holiday.

(101h) When a holiday specified above falls within an eligible employee's approved vacation period or during a period in which he/she received jury duty pay pursuant to Paragraph (126) of this Agreement and he/she is absent from work during his/her regularly scheduled work week because of such vacation or jury duty, he/she shall be paid for such holiday.

(101i) When an eligible employee is on an approved leave of absence and returns to work following the holiday but during the week in which the holiday falls, he/she shall be eligible for pay for that holiday. An eligible employee whose leave of absence terminates during the Christmas holiday period, and who reports for work on the next scheduled work day after the Christmas holiday period, will be eligible for holiday pay beginning with the first holiday the employee would otherwise have worked and each holiday thereafter in the Christmas holiday period.

(101j) Employees assigned to work on a holiday who fail to report for and perform such work without reasonable cause acceptable to Management shall not receive pay for the holiday.

(101k) When any of the above enumerated holidays falls on Sunday and the day following is observed as the holiday by the State or Federal Government, the day of observance shall be considered as the holiday under the provisions of this Holiday Pay Section.

(101l) It is the purpose of the Holiday Pay provisions in Paragraph (101) through (101k) of this Agreement to enable eligible employees to enjoy the specified

holidays with full straight time pay. If, with respect to a week included in the Christmas holiday period, an employee supplements his/her Holiday Pay by claiming and receiving an unemployment compensation benefit, or claims and receives waiting period credit, to which he/she would not have been entitled if his/her Holiday Pay had been treated as remuneration for the week, the employee shall be obligated to pay the Corporation the lesser of the following amounts:

(1) an amount equal to his/her Holiday Pay for the week in question, or,

(2) an amount equal to either the unemployment compensation paid to him/her for such week or the unemployment compensation which would have been paid to him/her for such week if it had not been a waiting period.

The Corporation will deduct from earnings subsequently due and payable the amount which the employee is obligated to pay as provided above.

LEAVES OF ABSENCE

Informal Leave of Absence

(102) A leave of absence may be granted for personal reasons for a period not to exceed thirty (30) days, upon application of the employee to and approval by his/her advisor.

(103) Such leaves of absences shall not be renewed and seniority will accumulate during the leave.

Formal Leave of Absence for Personal Reasons

(104a) Employees requesting formal leave of absence shall first make application in writing to their advisor on the form provided. Such leave of absence may be granted to an employee for not more than ninety (90) days on approval of the Management when the services of the employee are not immediately re-

quired and there are employees available in the plant capable of doing his/her work. A formal leave of absence may be granted under the foregoing conditions for not more than 150 days provided that the employee does not work in any occupation for his/her own gain during the leave of absence unless mutually agreed by the Corporation and the Union. A formal leave of absence may be granted under the foregoing conditions for a period exceeding 150 days, but not to exceed 180 days if required for the purpose of traveling to a foreign country.

(104b) Such leaves of absence may be extended but the approval of the President of the Division or his/her designated representative is required in such cases.

Seniority will accumulate during the period of formal leave of absence.

Sick Leave of Absence

(105a) Any employee who is known to be ill supported by satisfactory evidence, will be granted a sick leave automatically for the period of continuing disability.

(105b) Employees claiming illness for more than three (3) consecutive working days shall, upon request of the Corporation, be required to submit satisfactory evidence of illness on forms provided. (Forms can also be obtained upon request by the employee to department supervision or the Personnel Department.)

(105c) The forms containing such evidence of illness must be returned to the Personnel Department within five (5) working days figured from the date the forms are presented to the employee or delivered to his/her last known address, unless additional time is required, supported by acceptable evidence.

(105d) If illness continues beyond this original period, sick leave will be extended on approval of the

President of the Division or his/her designated representative, provided proper evidence is furnished to cover such extensions and provided further that such evidence submitted within five (5) working days following the termination of the original period of leave unless additional time is required supported by acceptable evidence.

(105e) Except as otherwise provided in Paragraph (109d), employees with seniority shall accumulate seniority during sick leave and seniority shall be broken figured from the first day of such sick leave on the same basis as provided in Paragraph (51e) for laid off employees breaking seniority. Not later than thirty (30) calendar days prior to such loss of seniority Management will send a letter to the employee's last known address as shown on Corporation records reminding such employee of the fact that their seniority is subject to being broken as provided above. A copy of such letter will be furnished promptly to the Chairperson of the Shop Committee. However, failure through oversight to send the letter to the employee or furnish a copy to the Chairperson of the Shop Committee will not be the basis for any claim.

(105f) Employees who fail to comply with the above provisions will be separated and have their seniority broken unless satisfactory reason is given supported by acceptable evidence.

(105g) In compensable injury and legal occupational disease cases, sick leave will be granted automatically and seniority will accumulate for the full period of legal temporary disability. Temporary employees disabled by compensable injury or legal occupational disease shall be given credit for the period of such disability toward acquiring seniority.

Leave of Absence for Union Activity

(106) Any employee elected to a permanent of-

fice, in, or selected as a delegate to any labor activity in the USWA A.F.L.-C.I.O./C.L.C., or the A.F.L.-C.I.O. necessitating a leave of absence shall make application in writing to the Corporation.

(106a) In the event an employee is appointed to one of the activities shown in Column "A" below, necessitating a leave of absence, the request for such leave will be made in writing by the Union Representative shown in Column "B" opposite each respective listed activity.

"A"	"B"
1. Appointment to the staff of the International Union - USWA, A.F.L.-C.I.O./CLE, such as Field Representative District Director and Education Staff.	Local Union President or Local Union Vice President
2. Appointment to Labor Coordinator-United Way of Montgomery and Greene Counties (Not to exceed one employee for any one period.)	Local Union President or Local Union Vice President

Additions may be made to columns A and B by negotiations between the parties during the period of this Agreement.

(106b) Whenever possible, application for leave as provided for in Paragraph (106) and (106a) above shall be made at least forty-eight (48) hours prior to the date the desired absence is to begin. Such leave shall be granted and become effective only upon receipt of a properly approved leave of absence application form and shall not exceed three (3) years. Such leaves of absence may be extended by local Manage-

ment beyond the period of three (3) years. At the end of the term or mission, as the case may be, the employee shall be guaranteed re-employment if there is sufficient work for which he/she is in line in accordance with his/her seniority, at the then current rate of pay. Seniority will accumulate during the period of such leave.

Educational Leave of Absence

(107a) Employee veterans who have acquired seniority and other employees with seniority of one or more years who desire to further their education, may make application for a leave of absence for that purpose.

(107b) A leave of absence may be granted to an eligible employee for a period not to exceed one year, subject to the conditions set forth in Paragraph (109) (General Conditions-Leave of Absence Section) of this Agreement. Additional leaves of absence may be granted, at the option of Local Management. Except as otherwise provided in Paragraph (109d), seniority shall accumulate during such leaves of absence.

Leave of Absence for Elective Public Office

(108) Any employee with seniority elected to public office may make written application for leave of absence for the period of his/her first term of active service in such elective office. Additional leaves of absence for service in elective public office may be granted at the option of Local Management upon written application by the employee. Any employee granted such leave of absence shall be guaranteed reemployment, at the then current rate of pay, if there is sufficient work available which he/she is capable of doing, and to which he/she may be entitled on the basis of seniority. Seniority will accumulate during the period of such leaves.

(108a) Any employee with seniority who is appointed to a position as administrative assistant in a Congressional or Senatorial office, or to an Administrative position in a State Agency, or as a Labor Representative on a Community Agency, or to a non-civil service governmental position which is not generally available to an applicant for employment, or as a full time officer in a credit union may make written application for a leave of absence for the period of his/her active service in such position, not to exceed one year. Such leave may be renewed at the option of Management upon written application by the employee.

General Conditions

(109a) All the above leaves of absence including sick leaves are granted subject to the following conditions:

(109b) Any employee on leave may return to work in line with his/her seniority before the expiration of his/her leave providing not less than seven (7) days notice is given to Management. The return within the seven (7) day period is at the option of Management. Any employee who fails to return to work in accordance with the notice as given shall be considered as having voluntarily quit unless he/she gives a satisfactory reason.

(109c) Any employee who fails to report for work within three (3) regular working days following expiration of a leave, shall be considered as having voluntarily quit unless he/she has a satisfactory reason supported by acceptable evidence.

(109d) If upon the expiration of a leave of absence there is no work available for the employee in line with his/her seniority, or if the employee would otherwise have been subject to layoff according to seniority during the period of the leave, the period which breaks seniority shall start from the date of expiration

of the leave or in the case of a Leave of Absence under Paragraph (105), or Paragraph (107), the period which breaks seniority shall start from the date the employee would otherwise have been laid off.

(110) An approved copy of any type leave of absence will be furnished to the employee before such leave shall become effective.

(111) Any employee who obtains a leave of absence to accept employment elsewhere will be considered as having voluntarily quit.

Military Leave of Absence

(112) Any employee who enters either active or inactive training duty or service in the Armed Forces of the United States will be given a leave of absence subject to the conditions herein. Upon submission of satisfactory proof of pending induction for active service, the employee may arrange for the leave to begin up to thirty (30) days prior to the induction date. The leave shall not exceed the term of the initial enlistment and one (1) consecutive re-enlistment. In no event will the period of such leave exceed a total of eight (8) years, except when additional service is involuntary. Seniority will accumulate during the period of such leave. Upon termination of such leave, the employee shall be offered reemployment in his/her previous position or position of like seniority, status and pay, unless the circumstances have so changed as to make it impossible or unreasonable to do so, in which event he/she will be offered such employment in line with his/her seniority as may be available which he/she is capable of doing at the current rate of pay for such work, provided he/she meets the following requirements:

- (1) Has not been dishonorably discharged.
- (2) Is physically able to do the work.

(3) Reports for work within 90 days of the date of such discharge, or 90 days after hospitalization continuing after discharge.

The seniority of any employee who fails to report for work within the times specified in Paragraph (112) (3) shall be automatically broken, unless the employee gives a satisfactory reason for said failure to report.

As used in this Paragraph, "Armed Forces of the United States" is defined as and limited to the United States Army, Air Force, Navy, Marine Corps, Coast Guard, National Guard, Air National Guard, or any Reserve component thereof.

(113) Any employee with seniority who is a spouse of an employee who enters active duty service in the Armed Forces of the United States and who obtains a leave of absence in accordance with Paragraph (112) may make written application to the Personnel Department for a leave of absence for the period of the employee's initial enlistment but in no event to exceed four (4) years. Such leaves may be granted by Local Management and will be subject to the conditions set forth in Paragraphs (109a) through (111). Seniority will accumulate during the period of such leaves.

RECORD OF AVAILABLE HOURS

(114) Management, insofar as it is practicable, will equalize the hours of work available to seniority employees in the same job classification within a department. A record showing the hours of work available to each seniority employee will be maintained in the department in such a manner that the record is openly available to the employees involved. Hours of work will be made available to temporary employees in accordance with Paragraph (57a). [Consistent with past practice, provisions defining the words "job classification" in this Paragraph (114) for purposes of avail-

able hours equalization may be negotiated locally. Such agreements, modifications or supplements thereto shall be reduced to writing and be subject to the approval of the Corporation.]

UNION BULLETIN BOARDS

(115) The Corporation will erect bulletin boards which may be used for the posting of Union notices. Notices to be posted are subject to approval by the Management and are restricted to:

(a) Notices of Union recreational and social affairs.

(b) Notices of Union elections.

(c) Notices of Union appointments and results of Union elections.

(d) Notices of Union meetings.

(e) Other notices concerning bonafied Union activity such as cooperatives, Credit Unions, Unemployment Compensation information.

(f) Other notices concerning Union affairs that are not political or controversial in nature.

(116) The Union will promptly remove from such Union Bulletin Boards, upon the written request of Management, any material which is libelous, scurrilous, or detrimental to the labor-management relationship.

(117) The number and location of bulletin boards will be decided by the Management and the Local Union President or his/her designated representative, provided such individual is an employee on the active payroll of or on leave of absence for Union activity from the Corporation.

(118) There shall be no other posting by employees of pamphlets, advertising or political matter, notices, or any kind of literature upon Corporation property.

VACATION ENTITLEMENT

(119) The Vacation Entitlement provisions of this section shall apply during the remainder of the term of this Agreement.

(119a) Effective January 1, 1994, the eligibility date for vacation entitlement for all seniority employees is December 31.

(119b) Each "eligibility year" shall begin with the first pay period following the pay period containing December 31 of the previous year and end with the pay period in which December 31 falls.

(119c) An employee shall become eligible for a vacation entitlement as hereinafter defined, provided he/she has at least one year's seniority as of December 31 of the eligibility year and has worked during at least 13 pay periods during his/her eligibility year. Without modifying or adding to any other provision of the Vacation Entitlement Section, an employee who has seniority but has not acquired one year's seniority as of December 31 shall nevertheless become eligible for a percentage of 40 hours of vacation pay pursuant to Paragraphs (119h) and 119k).

(119d) In determining the number of pay periods an employee shall have worked in the eligibility year, the employee shall be credited with one pay period for each pay period in which the employee performs work in any Delphi Automotive Systems plant during that year.

(119e) For the purpose of this Vacation Entitlement Section only, a pay period during which an employee qualifies for pay pursuant to Paragraph (119l), Paragraphs (101) through (101l) for holidays falling within the Christmas Holiday Period, Paragraph (126), Paragraph (126a), Paragraph (126b) or the Independence Week shutdown shall be counted as a pay period worked. A laid off employee who receives pay for a designated holiday shall receive credit for the

pay period in which the holiday falls as a pay period worked.

(119f) An employee whose seniority at a Delphi Automotive Systems plant (base plant) is hereafter broken:

(1) pursuant to Paragraph (51d) or (62d)(4) because he/she elected to remain at the Delphi Automotive Systems plant in which he/she is working, or

(2) pursuant to Paragraph (51e), shall have his/her vacation entitlement computed as though his/her seniority at the base plant had not been broken, provided, (1) he/she continuously holds seniority at a Delphi Automotive Systems plant(s), or (2) he/she is hired at a Delphi Automotive Systems plant before his/her seniority at a prior plant is broken and he/she acquires seniority at the plant where hired within the next six (6) continuous months, and he/she thereafter continuously holds seniority at a Delphi Automotive Systems plant(s).

(119g) An eligible employee who has worked at least 26 pay periods in his/her eligibility year shall be entitled to the following vacation entitlement:

For an Eligible Employee With Seniority of	Hours of Vacation Entitlement
Less than One Year	40
One but less than three years	80
Three but less than five years	100
Five but less than ten years	120
Ten but less than fifteen years	140
Fifteen but less than twenty years	160
Twenty or more years	200

(119h) An eligible employee shall be entitled to a percentage of vacation entitlement shown in Paragraph (119g) based on the number of pay periods he/she works in his/her eligibility year, in accordance with the following:

Pay Periods Worked	Percentage of Hours of Vacation Entitlement
26	100%
25	96%
24	92%
23	88%
22	84%
21	80%
20	76%
19	73%
18	69%
17	65%
16	61%
15	57%
14	53%
13	50%

(119i) An eligible employee who, at the time of the eligibility date, has not used the entire vacation entitlement provided for in Paragraph (119g) shall receive a payment in lieu of vacation time off for the unused portion at the rate established in accordance with Paragraph (119j).

(119j) Vacation time off payments will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the approved vacation time off period for vacation with pay. Payment of the unused portion, if any, of Vacation Entitlement will be calculated on the basis of the employee's rate of pay plus the attached night shift premium but not including overtime premium, as of the last day worked prior to the eligibility date or

the last day worked prior to December 15, whichever produces the higher rate.

(119k) Payment of the unused portion, if any, of the employee's vacation entitlement, shall be made as soon as possible but not later than thirty (30) days after the eligibility date.

(119l) Eligible employees may use 40 hours of their vacation entitlement during the eligibility year provided their absence from work is for not less than four (4) continuous hours and is excused for illness (when not receiving Sickness and Accident benefits), or personal business, or a leave of absence for vacation purposes.

Absences for "any personal reason" will be excused provided that: (a) the employee makes written request on a form provided by Management in accordance with the procedure established by Management; (b) there will be no adverse impact on the operations involved and if more than one employee is requesting the same day this will be taken into consideration in determining the operational impact; and (c) if more employees working for the same supervisor request the same day off than can be accommodated, priority of request will be considered in accordance with Corporation practice.

(119m) Employees who retire or are retired under the provisions of the Delphi Automotive Systems Hourly Rate Employees Pension Plan shall receive vacation entitlement in accordance with Paragraph (119h) if the employee has worked at least 13 pay periods in the eligibility year in which they retire or one twenty-sixth ($1/26$) of the vacation entitlement provided for in Paragraph (119u) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they retire.

(119n) Employees who are placed on or return from a Leave of Absence for Military Service pursu-

ant to the provision of Paragraph (112), shall receive vacation entitlement in accordance with Paragraph (119h) if the employee has worked at least 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service, or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (119u) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service.

(119o) Employees disabled from working by compensable injury or legal occupational disease shall receive credit toward pay periods worked under this Vacation Entitlement Section for pay periods they would otherwise have been scheduled to work during the period of compensable disability, provided they worked during at least one (1) pay period in the eligibility year and are otherwise eligible for a vacation entitlement.

(119p) In the case of an employee who has worked during at least 13 pay periods in the eligibility year and who voluntarily quits or dies prior to the eligibility date, the vacation entitlement to which the employee would have been entitled had the employee lived, based on the number of pay periods worked, shall be paid to the employee or in the event of death, the employee's duly appointed legal representative, if there is one, and, if not, to the spouse, parents, children, or other relative or dependents of such person as the Corporation in its discretion may determine.

(119q) The vacation entitlement of an employee who holds seniority in two or more Delphi Automotive Systems plants will be computed on the basis of the longest seniority held as of the eligibility date.

(119r) In the case of an employee who goes on sick leave during one eligibility year after having worked less than 13 pay periods in that year and who

retires during his/her next eligibility year under the provision of the Delphi Automotive Systems Hourly-Rate Employees Pension Plan before returning to work, his/her retirement, for the purpose of this Vacation Entitlement Section only, shall be deemed to have occurred as of the day following his/her last day worked.

(119s) When a person is transferred into a bargaining unit covered by this Agreement the amount of vacation entitlement the employee may become eligible for shall be reduced by the amount of any paid vacation or pay in lieu of taking vacation which the employee has already received from the Corporation for the same eligibility year.

VACATION TIME OFF PROCEDURE

(119t) Management recognizes the desirability of providing vacation time off with pay, up to the vacation entitlement to which the employee's seniority will entitle them on December 31 of the current year, in a manner that preserves the maintenance of efficient operations while giving consideration to the desires of the employees.

(119u) During each year of this Agreement, the Corporation has designated the following days to be included in an Independence Week Shutdown period:

2000

<u>Monday, July 3</u>	- Independence Week Shutdown Day
<u>Wednesday, July 5</u>	- Independence Week Shutdown Day
<u>Thursday, July 6</u>	- Independence Week Shutdown Day
<u>Friday, July 7</u>	- Independence Week Shutdown Day

2001

<u>Monday, July 2</u>	- Independence Week Shutdown Day
<u>Tuesday, July 3</u>	- Independence Week Shutdown Day
<u>Thursday, July 5</u>	- Independence Week Shutdown Day
<u>Friday, July 6</u>	- Independence Week Shutdown Day

2002

Monday, July 1 - Independence Week Shutdown Day
Tuesday, July 2 - Independence Week Shutdown Day
Wednesday, July 3 - Independence Week Shutdown Day
Friday, July 5 - Independence Week Shutdown Day

2003

Monday, June 30 - Independence Week Shutdown Day
Tuesday, July 1 - Independence Week Shutdown Day
Wednesday, July 2 - Independence Week Shutdown Day
Thursday, July 3 - Independence Week Shutdown Day

(119v) During February of each year, the local Management will notify the President of its decision to schedule the week before or the week after the Independence Week Shutdown period as a Plant Vacation Shutdown Week.

(119w) In addition during February of each year, the local Management will notify the President which productive operations, if any, will be scheduled to operate during the Independence Week Shutdown Period and which productive operations, if any, will be scheduled to operate during the Plant Vacation Shutdown Week. Unforeseen circumstances may require subsequent changes in these announced schedules and will be reviewed with the Shop Committee as soon as is practicable.

(119x) Employees who are not scheduled to work during any portion of the Independence Week Shutdown Period shall be paid up to eight (8) hours of pay for each of the Independence Week Shutdown Period days they are not scheduled to work, up to a maximum of thirty-two (32) hours, which will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the Independence Week Shutdown period provided:

(1) The employee has seniority in any Delphi Automotive Systems plant as of the date of each of the Independence Week Shutdown Days.

(2) The employee is on the active rolls and would otherwise have been scheduled to work if it had not been observed as an Independence Week Shutdown Day.

(3) The employee works their last scheduled work day in the pay period prior to and their next scheduled work day in the pay period after the pay periods of Independence Week Shutdown and Plant Vacation Shutdown Week.

Employees shall receive such pay in the pay period following the Independence Week Shutdown Period.

(119y) Failure to work either the last scheduled work day in the pay period prior to or the first scheduled work day following the Independence Week Shutdown and/or the Plant Vacation Shutdown will disqualify the employee for Independence Week Shutdown pay for two (2) Independence Week Shutdown days. Failure to work both scheduled days disqualifies the employee for pay for the entire Independence Week Shutdown.

(119z) Employees who are scheduled to work during the Independence Week Shutdown Period, including the Independence Day holiday shall be entitled to up to eight (8) hours of Additional Time Off with pay up to a maximum of forty (40) hours in lieu of the Independence Week Shutdown Period pay for each day worked provided:

(1) The employee has seniority in any Delphi Automotive Systems plant as of each day of the Independence Week Shutdown Period.

(2) The employee is scheduled to report for work during any of the days, and

(3) The employee reports for and performs such scheduled work on those scheduled days or is absent pursuant to the provisions of Paragraphs (126) or (126a).

The Additional Time Off will be scheduled in accordance with local plant practice.

(120) Eligible employees who, as of the next eligibility date, have not used their entire Additional Time Off, shall be paid the unused portion in accordance with Paragraphs (119j) and (119k).

(120a) Management at each plant will establish a procedure whereby employees, in a period of not less than (30) days in the first quarter of each calendar year, may make application in writing for vacation time off, indicating first, second and third choices. If a Plant Vacation Shutdown is scheduled, the dates of such shutdown are to be included in the employee's vacation schedule. In the event more employees apply for time off than can be spared from the job at a given time, plant seniority will be the basis for resolving priority of applications for time off, except that applicants working on jobs which usually operate when the plant is shut down during such periods as model change, plant rearrangement, plant vacation shutdown or inventory will be given first consideration for time off during periods other than shutdown period.

(120b) Each employee will be given a written disposition of their vacation time off request pursuant to paragraph (120a) above. Approved vacation time off, exclusive of the time identified as a Plant Vacation Shutdown, will not thereafter be canceled or changed without the mutual consent of Management and the employee. If an employee's approved vacation time off scheduled for a Plant Vacation Shutdown is canceled or changed, the employee may reschedule their vacation in accordance with local plant practice.

(120c) An active seniority employee who is not scheduled to work during the Plant Vacation Shutdown week, shall use any available Vacation Entitlement hours starting with the first day of the Plant Vacation Shutdown week and will be placed on a

leave of absence for vacation purposes for the balance of the Plant Vacation Shutdown week. An active employee without seniority who is not scheduled to work shall be considered on layoff for the entire shutdown period.

(120d) An eligible employee who has approved vacation time off in accordance with Paragraph (120a), either through individual vacation scheduling or a scheduled plant vacation shutdown, shall receive their vacation pay, up to the amount of their approved time off, in the pay period following the pay period in which the approved vacation time off is taken. An employee may elect to waive this provision by submitting an application at least two (2) days prior to the approved vacation time off. Upon receipt of the application, payment of the specified Vacation Entitlement will be made pursuant to the provisions for payment of an unused balance in Paragraphs (119j) and (119k).

(120e) Regardless of the provisions of Paragraph (45d), the Corporation will deduct from earnings subsequently due and payable the amount of any vacation payment made to an employee who does not have seniority as of their next eligibility date, or who receives state or federal benefits as a result of unemployment during the Vacation Entitlement Period, or who receives any payment in excess of their eligibility. Recovery of such overpayment may be made from any future payments payable under any term of this agreement or any Supplemental Agreement thereto.

STRIKES, STOPPAGES, AND LOCKOUTS

(120f) It is the intent of the parties to this Agreement that the procedure herein shall serve as a means for peaceable settlement of all disputes that may arise between them.

(121) During the life of this Agreement, the Corporation will not lockout any employees until all of

the bargaining procedure as outlined in this Agreement has been exhausted and in no case on which the Umpire shall have ruled, and in no case on which the negotiations have continued for at least five (5) days between the Corporation and the Union and thereafter not until the matter has been reviewed in a meeting between representatives of the International Union, USWA-A.F.L.-C.I.O./C.L.C., and the Corporation which may be attended by representatives from the Corporation's Labor Relations Staff in Troy, Michigan, and not even then unless a notice of such lockout has been delivered to the Union at least five (5) days prior to such lockout action. In case a lockout shall occur, the Union has the option of canceling the Agreement at any time between the tenth (10th) day after the lockout occurs and the date of its settlement.

(122) During the life of this Agreement, the Union will not cause or permit its members to cause, nor will any member of the Union take part in any sit-down, stay-in, or slowdown, or any curtailment of work or restriction of production or interference with production of the Corporation. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises until all the bargaining procedure as outlined in this Agreement has been exhausted and in no case on which the Umpire shall have ruled, and in no other case on which the Umpire is not empowered to rule until after negotiations have continued for at least five (5) days between the Corporation and the Union and thereafter not until the matter has been reviewed in a meeting between representatives from the International Union, USWA-A.F.L.-C.I.O./C.L.C., and the Corporation which may be attended by representatives from the Corporation's Labor Relations Staff in Troy, Michigan, and not even then unless authorized by the International Union, USWA-A.F.L.-C.I.O./C.L.C., and written notice of

such intention to authorize has been delivered to the Corporation, at least five (5) days prior to such authorization. The Union will not cause or permit its members to cause nor will any member of the Union take part in a strike or stoppage of any of the Corporation's operations, or picket any of the Corporation's plants or premises because of any dispute or issue arising out of or based upon the provision of the Pension Plan, Life and Disability Benefits Program, Health Care Program, Income Security Plan, Guaranteed Income Stream Benefit Program, Profit Sharing Plan or Personal Savings Plan nor will the Union authorize such a strike, stoppage, or picketing. In case a strike or stoppage of production shall occur, the Corporation has the option of canceling the Agreement at any time between the tenth (10th) day after the strike occurs and the day of its settlement. The Corporation reserves the right to discipline any employee taking part in any violation of this section of this Agreement.

GENERAL PROVISIONS

(123) Supervisory employees shall not be permitted to perform work on any hourly rated job except in the following types of situations:

(1) In emergencies arising out of unforeseen circumstances which call for immediate action to avoid interruption of operations.

(2) In the instruction or training of employees.

(124) A report of physical examination and any laboratory tests made by physicians acting for the Corporation will be given to the personal physician of the individual employee involved upon the written request of the employee.

(125) Employees working on their regular shifts on pay day will be paid on the job in a manner that will not result in loss of time by the employee or loss of production. In individual situations wherein an

employee who works on his/her regular shift on pay day but who is scheduled off early by Management before payment is made, will be able thereafter and before leaving the plant to receive his/her pay on pay day by presenting himself/herself to the location designated by his/her supervision, either at Home Avenue or Vandalia as the case may be. Employees who are not working on their regular shifts on pay day will be paid in accordance with the practice that is or may be established.

Jury Duty

(126) An employee with seniority in any Delphi Automotive Systems plant who is summoned and reports for jury duty (including coroner's juries), as prescribed by applicable law, or who reports for pre-jury duty examination required by the court or administrative governmental agency, shall be paid by the Corporation an amount equal to the difference between the amount of wages (including night shift premium and continuous operations premium) the employee otherwise would have earned by working during straight-time hours for the Corporation on that day and the daily jury duty fee paid by the Court or agency (not including travel allowances or reimbursement of expenses), for the day on which he/she reports for pre-jury duty examination, and for each day on which he/she reports for or performs jury duty and on which he/she otherwise would have been scheduled to work for the Corporation.

Employees with an established shift starting time on or after 7:00 p.m. and on or before 4:45 a.m. will be excused from work on either their shift immediately preceding the jury service or their shift immediately following the completion of the jury service at the option of the employee. Such employee must notify their immediate supervisor of their election prior to being absent from work.

In order to receive payment, an employee must give Management prior notice that he/she has been directed to report for pre-jury duty examination or has been summoned for jury duty and must furnish satisfactory evidence that he/she reported for such examination or reported for or performed jury duty on the days for which he/she claims such payment. The provisions of this Paragraph (126) are not applicable to an employee who, without being summoned, volunteers for jury duty.

Bereavement

(126a) (1) When death occurs in any employee's immediate family, as defined below, and the employee has seniority in any Delphi Automotive Systems Plant, the employee, on request, will be excused for any of the first three (3) normally scheduled working days or the first five (5) normally scheduled working days in the case of the death of an employee's current spouse, parent, child, or stepchild (excluding Saturdays, Sundays and holidays) immediately following the date of death provided he attends the funeral. The five-(5) day limit will also apply in cases of multiple deaths of members of the employee's immediate family resulting from a single incident. The immediate family for purposes of this Paragraph (126a)(1) is defined as including the employee's:..

Spouse	Step-Brother
Parent	Half Brother
Step-Parent	Sister
Grandparent	Step-Sister
Great Grandparent	Half Sister
Child	Current Spouse's Parent
Step-Child	Current Spouse's Step-Parent
Grandchild	Current Spouse's Grandparent
Brother	Current Spouse's Great Grandparent

(a) In the event a member of the employee's immediate family as above defined dies while in the

active service of the Armed Forces of the United States, the employee may, should the funeral be delayed, have his/her excused absence from work delayed until the period of three normally scheduled working days or the first five (5) normally scheduled working days in the case of the death of an employee's current spouse, child, or stepchild which includes the date of the funeral. In the event the body of a member of the employee's immediate family as above defined is not buried in continental North America solely because the cause of death has physically destroyed the body or the body is donated to an accredited North American hospital or medical center for research purposes, the requirement that the employee attend the funeral will be waived. In the case of an employee who is granted a leave of absence due to the illness of a member of his immediate family, as above defined, and such family member dies within the first seven (7) calendar days of the leave, the requirement that the employee otherwise be scheduled to work will be waived.

(2) An employee excused from work under Paragraph (1) above shall, after making written application, receive the amount of wages he/she would have earned by working during straight time hours on such scheduled days of work for which he/she is excused (excluding Saturdays, Sundays and holidays, or, in the case of employees working in necessary continuous seven-day operations, the sixth and seventh work days of the employee's scheduled working week and holidays).

(3) Payment shall be made at the employee's rate of pay, plus the attached night shift premium if applicable, but not including overtime premium, as of his last day worked.

(4) Time thus paid will not be counted as hours worked for purposes of overtime.

Short Term Military Duty

(126b) An employee with seniority in any Delphi Automotive Systems plant who is called to and performs short-term active duty of thirty (30) days or less, including annual active duty for training as a member of the United States Armed Forces Reserve or National Guard, shall be paid as provided below for days spent performing such duty provided the employee would not otherwise be on layoff or leave of absence.

(1) A payment will be made for each day, except for a day for which he/she receives holiday pay, which the employee would otherwise have worked equal to the amount by which the employee's straight-time rate of pay as of his/her last day worked plus applicable night shift premium (but not including overtime) for not more than eight (8) hours, exceeds his/her military earnings for that day including all allowances except for rations, subsistence and travel. Except for short term active duty of thirty (30) days or less performed by employees called to active service in the National Guard by state or federal authorities in case of public emergency, payment is limited to a maximum of fifteen (15) working days in a calendar year.

In order to receive payment under this Paragraph (126b), an employee must give local Management prior notice of such military duty and, upon his/her return to work, furnish Management with a statement of the military pay received for performing such duty.

(127a) No provision of any agreements between the Management and the Union made previous to the date of this Agreement shall supersede or conflict with any provisions of this Agreement. No provisions of this Agreement shall be retroactive prior to the date signatures are affixed hereto unless specifically stated herein.

(127b) This Agreement supersedes the January 20, 1997 Agreement and all supplements thereto between the parties which are hereby terminated.

DURATION OF AGREEMENT

(128) This Agreement shall continue in full force and effect without change until 11:59 P.M. (Dayton Time), September 14, 2007. If either party desires to terminate this Agreement, it shall, not more than eighty (80) days or less than sixty (60) days prior to September 14, 2007, give written notice to the other party of the termination. If no notice to terminate this Agreement is given as provided above, or if no notice to modify this Agreement is given as herein after provided the Agreement shall continue in effect from year to year after September 14, 2007, subject to termination by either party on written notice given to other party not more than eighty (80) days nor less than sixty (60) days prior to September 14th of any subsequent year.

(129) If either party desires to modify or change this Agreement, it shall, not more than eighty (80) or less than sixty (60) days prior to September 2007, subsequent September 14th date, give written notice to the other party to such effect. Within fifteen (15) days after receipt of said written notice, a conference will be arranged to negotiate the proposals in which case this Agreement shall continue in full force and effect until terminated as provided hereinafter.

If notice of intention to modify or change has been given in accordance with the above provisions, this Agreement may be terminated by either party on thirty (30) days written notice of termination given to the other party on or after the next September 14th following said notice of intention to modify or change.

**PENSION PLAN, LIFE AND
DISABILITY BENEFITS PROGRAM
HEALTH CARE INSURANCE PROGRAM
INCOME SECURITY PLAN, GUARANTEED
INCOME STREAM BENEFIT PROGRAM
PROFIT SHARING PLAN AND PERSONAL
SAVINGS PLAN**

(130) The parties have provided for a Pension Plan, a Life and Disability Benefits Program, a Health Care Program, an Income Security Plan, a Guaranteed Income Stream Benefit Program, a Profit Sharing Plan and a Personal Savings Plan by Supplemental Agreements signed by the parties simultaneously with the execution of this Agreement, which Supplemental Agreements are attached hereto as Exhibit "A", Exhibit "B", Exhibit "C", Exhibit "D", Exhibit "E", Exhibit "F", Exhibit "G" and Exhibit "H" respectively and made parts of this Agreement as if set out in full herein, subject to all provisions of this agreement. No matter respecting the provisions of the Pension Plan or the Life and Disability Benefits Program or the Health Care Insurance Program or the Income Security Plan or the Guaranteed Income Stream Benefit Program or the Profit Sharing Plan or the Personal Savings Plan shall be subject to the grievance procedure established in this Agreement, except as expressly provided in Paragraph (43b) of this Agreement.

WAIVER

(131) The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Corporation and the Union, for the life of this Agreement, each voluntarily and un-

qualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

PARTIAL INVALIDITY OF AGREEMENT

(132) Should the parties hereafter agree that applicable law renders invalid or unenforceable any of the provisions of this Agreement, including all agreements, memoranda of understanding or letters supplemental, amendatory, or related thereto, the parties may agree upon a replacement for the affected provision(s). Such replacement provision(s) shall become effective immediately upon agreement of the parties

SEPARABILITY

(133) In the event that any of the provisions of this Agreement, including all agreements, memoranda of understanding, or letters supplemental, amendatory, or related thereto shall be or become legally invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions thereof.

(134) In witness whereof, the parties hereto have authorized officers and representatives this December 8, 1999.

Local Union 87 Delphi Automotive Systems
United Steelworkers
of America
AFL-CIO/CLC

APPENDIX "A"

Upon notice to the Corporation as provided in Paragraph (21) of this Agreement of a change in district committeepersons or alternate committeepersons, the following shall become applicable within five (5) days from date of such notification.

(a) The deposed district committeeperson or alternate committeeperson shall relinquish any rights or privileges provided to him/her as a district committeeperson or alternate committeeperson under the application of Paragraphs (23a) through (23e) of this Agreement.

(b) Any opening created under Item (a) shall be declared available provided schedule requirements necessitate a replacement. The available job shall be filled in accordance with the applicable provisions of the Seniority Sections of this Agreement.

(c) As a result of the foregoing action, the deposed district committeeperson or alternate committeeperson shall be required to accept job placement or layoff, as the case may be, in accordance with the applicable provisions of the Seniority Sections of this Agreement.

APPENDIX "G"

An employee whose seniority is broken under the provisions of Paragraph (51a) or (62d)(1), (51b) or (62d)(2), (51c) or (62d)(3), (51d) or (62d)(4), (51f) or (62d)(6), (109b) or (109c) of this Collective Bargaining Agreement will, in the event his/her seniority is reinstated, be reimbursed for any contributions he/she makes pursuant to Section 6 of the Supplemental Agreements (Life and Disability Benefits Program and Health Care Program) (Exhibits B and C) which the Corporation would have made, in accordance with the employee's revised status, under the applicable provisions of the Life and Disability Benefits Program and the Health Care Program (Exhibits B, B-I, C and C-I). An employee who is assessed a disciplinary layoff which is subsequently reduced or rescinded, will be reimbursed for any contributions he/she makes pursuant to the Supplemental Agreements (Life and Disability Benefits Program and the Health Care Program) (Exhibits B, B-I, C and C-I) which the Corporation would have made, in accordance with the employee's revised status, under the applicable provisions of the Life and Disability Benefits Program and Health Care Program (Exhibits B, B-I, C and C-I).

APPENDIX "H"

Required experience periods, in addition to completion of related training schedule for each Helper classification in order to qualify for reclassification to Journeyman/woman status under the provisions of Paragraph (62v)(5) of the Agreement.

(Listed in order of group - see Seniority Section "B-II")

Group and Department	Classification	Period
Group I (Dept. 14-914)	Stationary Engineer	6 years
Group II (Dept. 13-913 21-921, 18, 931)	Building Repair, Carpenter and Painter	6 years
Group V (Dept. 13-913, 21-921, 18, 931)	Electrician Helper	6 years
Group III (Dept. 13-913, 21-921, 18, 931)	Tinner, Welder, and Millwright	6 years
Group IV Dept. 13-913, (21-921, 18, 931)	Plumber and Steam Helper	6 years
Group VII (Dept. 23-923 28-930, 61-961)	Tool, Die and Mold Maker/ Machine Repairman	6 years
(Dept. 61-961)	Sample Checker Junior	6 years
Group VIII (Dept. 86)	Model Builder Helper	6 years
Group IX (Dept. 505-565)	Lift Truck Repair Helper	6 years

APPENDIX "H" (Continued)

(2) Notices will be posted within the plant listing classifications open to Helpers.

(3) When selecting employees for vacancies in the various Helper classifications, an employee who has a high school degree would not be given extra credit over an employee without a high school degree in selecting Helper candidates for a particular Helper classification.

(4) Further, if the Corporation hires one new employee for a vacancy in a Helper classification, i.e. an employee who does not have seniority at Delphi Energy and Chassis, then the next two employees who may be hired for that particular Helper classification will be from seniority employees working in the plant, providing there are two employees available at the time the vacancies exist who have placed a transfer request for that particular Helper classification with the Employment Section of the Personnel Department, and such employees are qualified in accordance with the Corporation's established standards for that particular Helper classification.

(5) The recruitment, selection, employment and training of Helpers shall be without discrimination because of race, color, religion, national origin or sexual orientation. Affirmative action will be taken to provide equal opportunity in the Helper program.

APPENDIX "J"

Mr. Dennis A. Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

It is the policy of the Corporation to perform maintenance work with its own employees, provided it has the manpower, skills, equipment and facilities to do so and can do the work competitively in quality, cost and performance and within the projected time limits. At times the Corporation does not deem advisable doing the work itself, and it must, as in the past, reserve to itself the right to decide whether it will do any particular work or let the work to outside contractors. This letter is not to be regarded as impairing that right in any way.

The Corporation hereby assures the Union that it has no plans to change its policy and that it expects to continue its general operating policy of placing primary reliance on its own skilled trades employees to perform maintenance work to the extent consistent with sound business practice, as in the past.

The Corporation is genuinely interested in maintaining maximum employment opportunities for its skilled trades employees consistent with the needs of the Corporation. Therefore, in making these determinations, the Corporation intends always to keep the interests of Corporation personnel in mind.

Very truly yours,

Bernard J. Quick
Director Labor Relations

APPENDIX "J-1"

Mr. Dennis A. Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations the Union discussed with the Corporation problems affecting the job security of employees resulting from contracting out of work.

During the course of negotiations, the Union expressed concern that in certain instances the work force in maintenance and tool and die trades particularly could be reduced through attrition and then work contracted out to the point where there was insufficient manpower available within the plant to perform the work, that the possibility existed for Helpers to be reduced to production jobs and work in their trades which they historically performed and which they were capable of performing could subsequently be contracted out for extended periods without recalling the Helpers to the skilled trades jobs from which they had been reduced; and that further there could be instances of skilled trades employees being permanently laid off and new work which they had historically performed contracted out for extended periods, instead of recalling these employees to their jobs.

The essential elements in the concern registered by the Union went to the question of job security.

Appendix "J-I" (Continued)

At times it is not practicable for the Corporation to do the work itself, and it must, as in the past, reserve the right to decide whether it will do particular maintenance and tool and die work, or contract it out. The Union recognizes that in making such decisions the Corporation must consider, among other things, the efficiencies and economies involved, the need for specialized tools and equipment, special skills and the necessity of meeting production schedules, model change and plant rearrangement deadlines.

In our discussions we agreed that employees' jobs should not be eliminated by reason of a practice of contracting out, and we agreed that existing employment opportunities of seniority employees should not be unnecessarily reduced by reason of management contracting out work. The Corporation moreover, states that it is its policy to fully utilize its seniority employees, under circumstances in which it is reasonable and practicable to do so, in the performance of work which they have historically performed to produce its product and perform its services.

Accordingly, the Corporation states that it will make a reasonable effort to avoid contracting out work which adversely affects the job security of its employees and that it will utilize various training programs available to it, whenever practicable, to maintain employment opportunities for its employees consistent with the needs of the Corporation.

Very truly yours,

Bernard J. Quick
Director Labor Relations

APPENDIX "J-2"

Subcontracting - Special Procedure

International Union, USWA
5 Gateway Center
Pittsburgh, PA 15212
Attention: Mr. George Becker
USWA International President

Gentlemen:

During current negotiations the parties discussed the special procedure for processing subcontracting grievances as provided by Paragraphs (38e) and (42).

The parties agreed that should the International Union elect to handle such a case pursuant to Paragraph (38e)(2), and refer it back to the Appeal Committee for negotiation pursuant to Paragraph (122), such negotiations shall be limited to the issues defined in the written record of the case.

Very truly yours,

Bernard J. Quick
Director Labor Relations

APPENDIX "K"

INTERPRETATION OF PARAGRAPHS (7a) THRU (7d) AND PARAGRAPHS (49) and (62b)(1)

Rules for Computing Seniority of Employees Who Acquire Seniority by Working 90 Days Within Six Continuous Months, and Computing the Period Specified in Paragraphs (7a) thru (7d):

1. Credit toward acquiring seniority will begin with the first day worked by the new employee and will include the subsequent days of that pay period.

2. Thereafter during six consecutive months until he/she acquires seniority he/she will receive credit for seven days for each pay period during which he/she works except that credit will not be given for any days the employee is on layoff.

3. No credit will be given for any pay period during which for any reason, the employee does not work except as provided in Paragraph (105g) and in the case of the pay period; in which the full week of Christmas holidays or the Independence Week Shutdown falls, provided the employee would otherwise have been scheduled to work.

4. Unless the employee is at work on the 90th day of his/her accumulated credited period, he/she must work another day, within his/her probationary period to acquire seniority. If the 90th day of his/her accumulated credited period falls on a holiday or an Independence Week Shutdown Day, the employee will be considered as having seniority as of the holiday. If the 90th day of his/her accumulated credited period falls on his/her vacation pay eligibility date, the employee will be considered as having seniority as of his/her vacation pay eligibility date.

Appendix "K". (Continued)

5. In the event a temporary employee is summoned and reports for jury duty as prescribed by applicable law during the period of six continuous months preceding the date he/she acquires seniority pursuant to Paragraph (49) or Paragraph (62b)(1), the employee's seniority when acquired will be adjusted to give the employee credit for seven additional days for each week in the period in which he/she did not work and during which jury duty was performed. The employee must furnish evidence that the jury duty was performed in order to receive seniority credit in accordance with this provision.

APPENDIX "L"

MEMORANDUM OF UNDERSTANDING JOB SECURITY (JOBS) PROGRAM

The Corporation and the Union are committed to enhancing the job security of Delphi Automotive Systems employees. Such job security can only be realized within a work environment which promotes operational effectiveness, continuous improvement and competitiveness.

Accordingly, the parties have agreed to this JOBS Program, and have pledged to work together, consistent with this Program and other provisions of the Agreement to enhance the Corporation's competitive position.

The cornerstone of the JOBS Program is a commitment to protection against indefinite layoff for eligible employees as expressly provided herein.

I. SCOPE OF THE PROGRAM - The Corporation and the Union agree that:

(A) Active seniority employees who had job security protection pursuant to Appendix L of the 1997 Collective Bargaining Agreement will be covered by this Job Security Program. Seniority employees not at work who had job security protection pursuant to Appendix L of the 1997 Collective Bargaining Agreement who are:

- 1) on vacation,
- 2) receiving bereavement pay,
- 3) on jury duty,
- 4) on any leave of absence of 90 days duration or less,
- 5) on temporary layoff, and
- 6) any other employee having a direct attachment to the active workforce will also be covered by this Job Security Program.

Appendix "L" (Continued)

In addition, any active employee who subsequently acquires six or more years of seniority during the term of this Memorandum of Understanding will also be covered by this Job Security Program.

(B) No employee covered by this Job Security Program will be laid off for any reason, other than described in I(C).

(C) Paragraph I(B) notwithstanding, an employee protected from layoff by this Job Security Program may be laid off for any of the following reasons:

- 1) volume related declines attributable to market related conditions as described in Document No. 55, JOBS Program - Volume Related Layoffs, not to exceed 74 weeks (inclusive of vacation shutdown weeks) over the life of the Agreement;
- 2) acts of God or other such reasons beyond the control of the Corporation including major economic downturn or financial distress;
- 3) the sale of a part of the Corporation's operations as an ongoing business;
- 4) the layoff of an employee recalled or re-assigned to fill an opening known in advance to be temporary; or
- 5) model change or plant rearrangement until the employee otherwise would have been recalled.

An employee impacted by any of the above reasons is, if otherwise eligible, covered by the appropriate Supplemental Agreements which are attached to the Agreement as Exhibits.

(D) The number of employees protected by this JOBS Program will be the covered employees who would otherwise be laid off as a result of any event other than those described in Paragraph I(C).

Appendix "L" (Continued)

II. JOB SECURITY AND OPERATIONAL EFFECTIVENESS - In recognition of the fact that job security can only result from joint efforts to improve operational effectiveness, the Corporation and the Union agree that:

(A) For a period commencing with the effective date of this Memorandum of Understanding and for the life of this Memorandum of Understanding, no covered employee will be laid off as a result of any event other than those described in Paragraph I(C).

(B) An employee whose regular job is eliminated will be placed pursuant to the applicable provisions of this Agreement.

(C) The employees protected from layoff due to the JOBS Program will be that determined in Paragraph I(D). Each protected employee will be identified by application of the Local Seniority Agreement provisions as if such job security were not provided.

(D) The Parties recognize that events, other than those described in I(C), may occur during the course of this Agreement that will cause the number of covered employees to exceed the Corporation's production requirements. The parties further recognize that the scope of this program requires flexibility with regard to the assignment of such Protected employees and the selection of employees for training. In this regard, the Local JOBS Committee (described in Section III, below) will insure that assignments are made on a basis consistent with the seniority provisions of the Collective Bargaining Agreement and Local Seniority Agreement while meeting plant needs, minimizing work force disruption and enhancing the personal growth and development of employees. After a decision by the Local JOBS Committee a Protected employee may be (1) placed in a training program, (2) used as a replacement to facilitate the

Appendix "L" (Continued)

training of another employee, (3) placed in a job opening at another Delphi plant provided there is no employee on layoff from that plant with a seniority recall or Paragraph (51e)(1) or (62d)(5) rehire right or an applicant who has not been offered a job at that plant, under current Delphi Automotive Systems policy, (4) given a job assignment within or outside the bargaining unit which may be non-traditional, (5) placed in an existing opening or (6) given other assignments consistent with the purposes of this Memorandum of Understanding.

(E) 1. Notwithstanding the above, an available Protected employee may be placed on the Area Hire list by Management for selection to an available opening at another location within the area. The number of such Protected employees made available for placement cannot exceed the number of Protected employees who have been laid off for the duration of the 74 week volume-related layoff limit (inclusive of vacation shutdown weeks). Protected employees will be made available for Area Hire placement in inverse seniority order.

2. A location that has no one on layoff with a seniority recall or Paragraphs (51e)(1) or (62d)(5) rehire right may fill a job opening with an available Protected employee from another location within the Area Hire Area pursuant to Paragraphs N(1) and (2), or an Area Hire applicant who has not been offered a job in the Area Hire Area;

An available Protected employee transferred permanently to another location may remain at the secondary location until at the employee's home location (1) there is an available opening in the regular active workforce to which the employee is entitled, or (2) the employee is recalled to Protected employee status, or (3) the employee is laid off from the second-

Appendix "L" (Continued)

any plant, at which time the employee will return, seniority permitting, to the active workforce.

(F) Efforts of the local parties to improve operational effectiveness will be encouraged and supported by the national parties including, as may be appropriate, approval of requests to waive, modify or change this Agreement.

(G) A Protected employee will continue to receive their regular straight time hourly rate of pay. In the event a Protected employee is assigned to another classification, the employee will receive the rate of pay as provided by the Local Wage Agreement.

(H) Protected employees' assignments will be considered temporary and not subject to provisions governing permanent filling of vacancies or the application of shift preference, except for assignments to fill openings resulting from volume increases. Experience gained from these temporary assignments will not be used to advantage such Protected employee over other employees for selection to fill permanent vacancies, nor will the Protected employee gain seniority under Paragraphs (49) or (62b)(1) of this Agreement from such assignments.

(I) An employee replaced by a Protected employee will receive their regular straight time hourly rate of pay, and will be returned to the same classification and job assignment upon completion of the replaced employee's assignment. In the event the employee has insufficient seniority to return to the formerly held classification, the employee will be placed pursuant to the applicable provisions of the Local Seniority Agreement.

(J) If an employee would have been transferred pursuant to Paragraphs (55) or (62g) of this Agreement or placed in an Apprentice program were it not

Appendix "L" (Continued)

for participation in a training assignment provided by this program, the employee will be transferred to this classification upon completion of the training assignment. In the event the employee would have been selected for a Helper or Apprentice assignment, the employee's date of entry will be adjusted as if the employee's assignment had not been delayed.

(K) A replaced employee returned to a job assignment under this Program will be credited with all overtime hours the employee worked while out of the equalization group, but not with the overtime hours the employee would otherwise have worked in the group had the employee not have been replaced by the Protected employee.

(L) A training assignment will be voluntary on the part of an employee being replaced by a Protected employee, unless such training is to develop or improve technical skills relevant to the employee's current job assignment or anticipated future job needs.

(M) No Protected employee will be temporarily assigned to a job outside of the bargaining unit except on a voluntary basis, subject to the direction of the National Committee. Permanent transfers of Protected employees outside the bargaining unit to other Delphi plants will be handled as follows, provided there is no rehire right or an applicant who has not been offered a job at the plant under current Delphi Automotive Systems policy and after all other prior contractual commitments and other obligations have been met;

(I) Management may place a Protected employee's name on the Area Hire list. The number of names so placed may not exceed the number of employees who have been laid off for the duration of the 74 week volume-rated layoff limit (inclusive of vacation shutdown). Protected employees will be made available for Area Hire placement in inverse seniority

Appendix "L" (Continued)

order. Thereafter, such employees may be selected in seniority order to available jobs at other locations. The seniority used by a skilled trades employee in administering these provisions will be the employee's date of entry or Journeyman/woman date.

(N) The number of employees covered by these Job Security provisions will change as:

(1) an employee in the active workforce, as defined by Paragraph I(A) who had less than six years of seniority on the effective date of the Agreement who subsequently attains six years of seniority; (2) otherwise eligible employees who are not active on the effective date of the new agreement who subsequently return to active status.

Notwithstanding the above, the National JOBS Committee is authorized to establish special mechanisms for the purpose of attracting new work.

(O) In the event there is an opening due to a volume increase, the available Protected employee with the highest seniority will be placed in this opening, unless the Local Committee determines the employee should first complete the employee's current assignment. If seniority employees are on layoff from that plant, a number of such employees, equivalent to the number of Protected employees placed in openings due to volume increases will be recalled from layoff. A Protected employee transferred to another Delphi plant due to a volume increase who is subsequently laid off from the secondary plant due to a volume decrease will be returned to available openings at the employee's home plant, seniority permitting.

(P) A layoff caused by an event described in Paragraph I(C) will have no impact on the number of Protected employees except for an employee who is protected from a layoff attributable to a market related

Appendix "L"- (Continued)

volume decline in excess of 74 weeks (inclusive of vacation shutdown weeks). In those instances, Protected employees, having the least seniority, will be laid-off and replaced by an equivalent number of greater seniority employees who would otherwise have insufficient seniority to remain in the plant.

(Q) In the event the Local or National Committee determines that the number of Protected employees exceeds the number of expected openings at the plant or in the Area within the next succeeding 12 months, special programs as set forth in Attachment A may be triggered upon prior approval of the National Committee. Thereafter, to the extent the number of Protected employees is still in excess of expected openings, such employees, under the direction of the National Committee, may be transferred out of the area pursuant to Paragraph (M). The National Committee may also explore the extension of Attachment A to other locations to create job opportunities for excess Protected employees within the Area Hire area.

(R) Earnings, including wages and wage related payments, received by employees while on Protected employee assignments, will be charged against the maximum liability amount. The cost of benefits and other payments made or incurred on behalf of Protected employees, specifically, health care (including dental and vision), group insurance, pensions, legal services, training fund contributions, and FICA will be charged against the maximum liability amount. The cost of benefits provided under Attachment A of this Memorandum of Understanding will not be charged against this liability. Earnings received and the cost of benefits and other payments made on behalf of Protected employees while assigned to fill permanent job openings resulting from volume increases or assigned to other regular and productive work (e.g., absentee replacements) will not be charged against this liability.

Appendix "L" (Continued)

(S) Charges against the Corporation's liability will commence with the first payments made to Protected employees and will continue until the maximum liability is reached or the expiration of the Program as provided in this Memorandum of Understanding, whichever occurs first. The records of such charges will be maintained by the Corporation and will be available to the Union at appropriate times.

III. ADMINISTRATION OF THE JOBS PROGRAM - The Corporation and Union agree that:

(A) A Local JOBS Committee will be established to administer the Program.

(B) The membership of the Committee will consist of the local Plant Manager and other representatives selected by management; the local Union President, if a Delphi Automotive Systems employee, and the Shop Committee.

(C) The duties of the Local Committee will be:

1. Review the number and status of the available Protected employees on a monthly basis, specifically noting the impact on this group of attrition, volume and future labor requirements.

2. Monitor the initial placement of an employee who returns to work following an event covered in Paragraphs I(A) and I(C).

3. Monitor the placement of Protected employees. In this regard consideration should be given to both the nature and duration of the assignment following the guidelines contained in Section II to this Memorandum of Understanding.

4. Monitor permanent layoffs caused by the events described in I(C).

Appendix "L" (Continued)

5. Participate in discussions regarding the introduction of new or advanced technology as provided in the Statement on Technological Progress contained in the current Delphi-USWA Agreement.

6. Review attrition and changes in the workplace. As required, develop plans to replace attrition, including the use of hires or rehires, to meet operational needs when other appropriate placement sources have been exhausted. The local parties are required to report monthly that appropriate communications have taken place; upon the request of the National Committee, the local parties may be required to provide detailed information to support their monthly joint reports.

7. Review the labor requirements of forward product, facility and business plans, maintaining the confidentiality of the material being evaluated.

8. Plan and coordinate the assignment of Protected employees in their home plant, the relocation of Protected employees to other plants in the area and the application of special programs to Protected employees and active work force employees as described in Attachment A to this Memorandum of Understanding.

9. Authorize non-traditional work assignments for Protected employees where practicable both within or outside the bargaining unit.

10. Review any complaint regarding the administration of the JOBS Program. Refer unresolved complaints to the National Committee. The National Parties will limit the review of complaints to those raised, in writing, within 60 days of the event giving rise to the complaint unless the time limit is waived by the National Committee. Only those matters governing the size of the active workforce, the number of Protected employees, or governing the treatment of

Appendix "L" (Continued)

Protected employees as set forth in Section II of this Memorandum of Understanding will be subject to the Grievance Procedure. Such grievances will be filed at the Third Step of the Grievance Procedure. All other unresolved complaints will be settled expeditiously between the parties at the National level.

11. Jointly coordinate appropriate local training activities to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within Delphi and from external sources.

12. Jointly develop and initiate proposals to improve operational effectiveness to secure existing jobs, and to attract customers and additional business thus providing additional job opportunities. When required, secure necessary approvals from the bargaining unit membership and the national parties.

13. Make recommendations to the National JOBS Committee, as appropriate, regarding any aspect of the JOBS Program. This may include any aspect of the contractual relationship between the Corporation and the Union that is relevant to the duties of the Local JOBS Committee, e.g., Appendix N, and Paragraphs (48), (52), (62a), and (62d)(8) of the current Delphi-USWA Agreement.

14. Ensure that JOBS funds are used solely for the purposes for which the Program provides protections, as specified in Section I(B) of this Memorandum of Understanding.

(D) A national JOBS Committee will be established consisting of one (1) representative selected from the Corporation's Labor Relations Staff and one (1) representative selected from the Divisional Industrial Relations Staff and one (1) representative of the International Union and the President of the Local Union.

Appendix "L", (Continued)

(E) The National Committee will meet periodically as required to:

1. Review labor requirements for specific projects.
2. Monitor the efforts of the Local Committees.
3. Jointly develop appropriate Delphi training efforts working closely with the Local Committees to ensure that quality, cost efficiency is provided and appropriate funds are secured both within Delphi and from external sources.
4. Coordinate: (a) placement efforts for eligible workers, (b) assessment and training, and (c) funding.
5. Approve Local JOBS Committee actions to improve operational effectiveness and coordinate actions when appropriate.
6. Coordinate, where applicable, the implementation of Special Programs described in Attachment 1, as well as the placement of Protected employees. For example, where a permanent loss of jobs has occurred or is scheduled for a location, the parties must agree on the transfer of employees to another location; such transfer could be in advance of the scheduled job loss and could be accomplished without adversely affecting quality and operating efficiency.
7. Act on requests from Local Committees to waive, modify or change Agreement provisions if such action would result in the preservation or increase of job opportunities.
8. Make quarterly reports to the Local Corporate leadership regarding the operations of the JOBS Program.

(F) The National JOBS Committee is so empowered to periodically review and evaluate the

Appendix "L" (Continued)

operation of this Memorandum of Understanding and make mutually satisfactory adjustments to its provisions during the term of this Memorandum.

IV. FUNDING - The Corporation and International Union agree that:

Notwithstanding the commitments set forth in this Memorandum of Understanding, the Corporation's total financial liability for the cost of the JOBS Program, to be calculated as agreed between the parties, shall not exceed \$24,800,000 during the term of this Memorandum of Understanding adjusted by any amounts shifted between the JOBS and SUB Funds. In the event this liability is reached, Protected employees will be subject to layoff. Thereafter, to the extent that layoffs of such employees are required, the provisions of the Local Seniority Agreements will apply and eligible employees will receive benefit treatment in accordance with the Supplemental Agreements attached to the Delphi-USWA Agreement then in effect.

V. EFFECTIVE DATE - TERMINATION DATE

The Corporation and International Union agree that:

(A) This Memorandum of Understanding will become effective on the effective date of this Agreement.

(B) This Memorandum of Understanding shall expire upon the expiration of the National Agreement next following the 1999 Agreement.

ATTACHMENT A

MEMORANDUM OF UNDERSTANDING

The National JOBS Committee may, from time to time and for specified periods, authorize the following Special Programs for designated eligible employees or may approve requests from the Local JOBS Committee for implementation of such Programs. Employees must apply within the application period determined by the local parties and approved by the National JOBS Committee.

Special Program #1 JOBS Voluntary Termination of Employment Program

The JOBS Voluntary Termination of Employment Program (VTEP) provides a guaranteed lump-sum benefit payment subject to the conditions and limitations contained herein. This Program is applicable to employees with at least one year of seniority who are at work, or are Protected employees on or after the effective date of the Agreement.

Description of Program Benefits

Years of Seniority As of Application Date	\$ Amount	Allocation Period (months)
1 but less than 2	15,000	6
2 but less than 5	21,000	9
5 but less than 10	37,000	15
10 but less than 15	47,000	19
15 but less than 20	62,000	25
20 but less than 25	67,000	27
25 or more	72,000	29

The maximum gross amount of the benefit payable under this Program is \$72,000 for employees with 25 or more years of seniority.

In no event, however, shall the amount of a VTEP payment provided under this Program exceed such amount permissible under the Employee Retirement Income Security Act of 1974 (ERISA).

An employee who accepts a VTEP payment shall be provided with basic health care coverage for a period of 6 months dating from the end of the month in which the employee last worked.

An employee eligible for an immediate pension benefit under the Hourly Rate Employees Pension Plan, at the time of his/her break in service (due to participation in a VTEP), shall upon completion of the Allocation Period and application for a pension benefit under the Hourly Rate Employees Pension Plan become eligible for post retirement health care and life insurance on the same basis as other retirees. For purposes of applying the terms of the Hourly Rate Employees Pension Plan, such employees shall not be treated as deferred vested by reason of their participation in a VTEP.

VTEP Payment Offsets

Any VTEP payment to an eligible employee will be reduced by the employee's outstanding debts to the Corporation or to the Trustees of any Corporation benefit plan or program, including any unrepaid overpayments to the employee under the ISP Plan or GIS Program, Exhibits D and E, respectively, to the Collective Bargaining Agreement.

Effect of Receiving VTEP Payment

An employee who accepts a VTEP payment shall (a) cease to be an employee and shall have his/her seniority broken at any and all of the Corporation's plants or other locations as of the last day worked subsequent to the date his/her application for a VTEP payment is received (termination date), (b) shall have cancelled any eligibility the employee would otherwise have had for a Redemption Payment under Exhibit E to the Collective Bargaining Agreement and (c) shall not be eligible to receive a mutual satisfactory retirement benefit under the Hourly Rate Employees Pension Plan, and (d) shall not be permitted to retire under the Hourly Rate Employees Pension Plan for the number of months of the allocation period following the termination date.

An employee who receives a VTEP payment, and who is subsequently reemployed by Delphi Automotive Systems, will not be eligible for any future VTEP payments until the employee has 5 or more years seniority following such reemployment. No seniority used to determine the amount of previous VTEP payment shall be used in determining a subsequent VTEP payment.

Special Program #2 JOBS Pension Program

General

The JOBS Pension Program provides pension benefits unreduced for age, payable under the Hourly Rate Employees Pension Plan (Exhibit A to the Collective Bargaining Agreement) subject to the eligibility terms and conditions contained in such Pension Plan, and further subject to such terms and conditions contained herein. This Program is applicable to employees who are at work, or are Protected employees, on or after the effective date of the Agreement.

Description of Program Benefit

An offer of Mutually Satisfactory retirement may be extended under this JOBS Pension Program to an eligible employee between the ages of 55 and 61 who has 10 or more years of credited service under the Hourly Rate Employees Pension Plan. Such retirement would provide unreduced basic benefits for the life of the retiree, temporary benefits payable until age 62 and one month (or if earlier, receipt of Social Security disability benefits), and any supplements they may be entitled to based on the provisions of the Hourly Rate Employees Pension Plan and the employees' age and credited service. The annual earnings limitation provisions of the supplements shall not be applicable to any mutually satisfactory retirement.

ATTACHMENT B

MEMORANDUM OF UNDERSTANDING - GOALS AND OBJECTIVES OF JOB SECURITY AND OPERATIONAL EFFECTIVENESS

The Corporation and the Union recognize that quality and operating efficiency are inextricably wed to job security, and that a high level of quality and operating efficiency requires mutual respect and recognition of each other's problems and concerns. Accordingly, in addition to the Local JOBS Committee's responsibilities for the JOBS Program and participation in discussions provided in related Letters of Understanding, each Committee will focus on cooperative efforts toward our common goal to improve the effectiveness of operations and remove barriers to improvements, increase job opportunities and fully utilize the workforce. The local committees will jointly develop a plan through an exhaustive analysis of the location's operational efficiency.

Within six months of the effective date of the Agreement, each Local JOBS Committee will review with Divisional Management the overall competitiveness of the location's products and their plans indicating actions, and/or changes needed to improve quality and efficiency at their location and to stimulate job security of the existing workforce and attract new work. Such plans must then be approved by the established National Job Security and Operational Effectiveness Committee.

At the national level, the Committee will have an equal number of Union, Divisional and Corporate representatives designated by the respective parties. The National Committee will oversee implementation and administration of these Job Security and Operational Effectiveness Plans. Members of the National Committee will meet jointly with Local Committees to

discuss the importance of job preservation and job creation, the reasons for the commitment to increase operational efficiency, suggest possible topics for consideration and encourage good faith efforts to develop and implement meaningful local plans. The National Committee will be available on an ongoing basis as a resource to Local Committees and will review progress at the local level at least on an annual basis.

In these efforts, it is recognized that a great deal of initiative and imagination will be required by the local parties. While not intended to limit such innovation, the following are examples of appropriate areas the local parties may address:

- 1) Identification of investments in the facility or equipment necessary to improve product quality or operational effectiveness;

- 2) the establishment of a team concept and/or pay-for-knowledge wage structure;

- 3) the identification of non-labor cost savings and efficiencies;

- 4) procedures and plans to review past outsourcing and outside contracting decisions, and identify opportunities for insourcing and new business;

- 5) the examination of new forms of work organization, such as job assignments relating to Just-in-Time or other quality enhancement systems;

- 6) procedures to review supervisory staffing and support for the initiatives in this Job Security and Operational Effectiveness section of the JOBS Program;

- 7) a realignment in skilled classifications to a number of appropriate basic trades to support the needs of the operation or location;

- 8) the implementation of skilled trades team concepts;

9) initiatives to reduce chronic absenteeism;

10) procedures for improved access by the Local Joint Committee to product plans and other information affecting employment security and operational effectiveness, assuring confidential treatment of such information;

11) the establishment of work standards on operations that fully utilize employees;

12) the examination of alternative work schedules which provide greater employment opportunities.

Efforts of the local parties to improve operational effectiveness may require change or waiver of certain agreements or practices. It is understood that any such waivers, modifications or changes would not be effective unless agreed to by the local parties involved and approved in writing by the Labor Relations Staff of the Corporation. Such changes would be effective only at the location(s) specifically designated.

APPENDIX "M"

VACATION REPLACEMENTS AND OTHER EMPLOYEES HIRED FOR TEMPORARY WORK

Employees who are on layoff from any Delphi-USWA plant who retain unbroken seniority in any such plant on the date they are hired as a vacation replacement or for other temporary work in any plant covered by the Main Agreement, or a new employee who does not have seniority in any Delphi Automotive Systems plant who is hired for such work shall be employed in accordance with the following:

(1) An employee may be hired as a vacation replacement or to fill other job openings of a temporary nature.

(2) Vacation replacements may be employed under the provisions of this Memorandum commencing the second Monday in May each year and ending no later than 120 days thereafter. The utilization of vacation replacements and other employees hired for temporary work shall be discussed in advance with the local JOBS Committee and approved by the Corporation and the International Union.

(3) Time worked by a vacation replacement or other temporary employee who is hired pursuant to this Memorandum will not be included in the computation for acquiring seniority pursuant to Paragraph (49), (62b)(1) and Appendix "K".

(4) Such time worked by a laid off seniority employee will not be considered in the calculation for breaking seniority and exhausting rehire rights pursuant to Paragraph (51e)(1) or (62d)(5).

(5) All other provisions of the Main Agreement and its Exhibits shall apply to employees hired pursuant to this Memorandum.

(6) This procedure does not apply to permanent job openings.

Problems relating to the implementation and administration of the above provisions may be raised by either party in a timely fashion each year, before vacation schedules have been finalized, and resolved by mutual agreement of the parties.

APPENDIX "N"

Sourcing

During these negotiations, the Union raised numerous concerns about the Corporation's sourcing actions and their impact on employment opportunities. To that end, the Corporation will work with and assist the Union to preserve jobs, replace jobs which may be lost by outsourcing action, and to create jobs for Protected employees and laid off employees. It is an objective of the Corporation to grow the business and to continue to rely upon its employees and facilities as the source of its products. During the life of the current Agreement, the Corporation will advise the President of the Local Union relative to sourcing recommendations, including the number of potential jobs affected. Additionally, data regarding incoming and outgoing work will be given to the Union in a quarterly meeting. In this manner, the parties can judge the success of mutual efforts toward improved job security. The Corporation agrees to incorporate the procedures and structure outlined herein when making sourcing determinations during the current Agreement.

The rationale for sourcing actions will consider the criteria of quality, technology, cost, timing, statutory requirements, occupational and related environmental health and safety issues, the impact on long-term job stability, the degree to which the Corporation's resources can be allocated to further capital expenditures, the overall financial stability of affected facilities, and the impact on related facilities. Other factors considered by the Corporation before a final sourcing decision is made will include the effect on employment, and job and income security costs, on both a short and long-term basis. Such criteria shall give equal weight to the full impact of a sourcing action on Delphi Automotive Systems-USWA represented employment levels and the job and income security of Delphi Automotive Systems-USWA represented employees. The

National parties will jointly further develop the above criteria to be used to address sourcing issues. In developing this criteria transfer pricing profits will not be considered in making sourcing decisions. Only appropriate return on investment and burden will be considered. The Union will be provided full and timely access to all appropriate data, including financial information, that is pertinent to evaluate product competitiveness and contemplated sourcing.

If the Local Committee cannot resolve a sourcing issue, the local Union may file a grievance at the third step of the grievance procedure. In addition, the following specific commitments have been made to address sourcing-related job security concerns of USWA members:

1. Insourcing

The Local JOBS Committee will discuss the practicality of insourcing, in whole or in part, work previously outsourced or new work which the Committee identifies as that which might be performed competitively at this Delphi Energy and Chassis Systems location based on the criteria outlined above. To assist in this process, the Union will be furnished a complete list of work similar to that currently performed at the location that has been (1) outsourced from that location or (2) is currently performed by non-Delphi/USWA suppliers for Delphi Automotive Systems. These lists will be updated and expanded to include supplier expiration dates and will be furnished within 90 days following the effective date of the Agreement. Thereafter, the parties will initiate efforts to insource particular work consistent with the aforementioned criteria to create prospects for growth and to provide jobs for Protected employees and employees on layoff.

If it is established that certain work can be performed competitively by the above criteria Manage-

ment will adopt the Committee's proposal and barring unique or unforeseen circumstances, bring the work in-house. The Union shall thereafter obtain any necessary approval or ratification within 30 days of the decision to bring the work in-house.

2. Outsourcing

Outsourcing as used herein means the Corporation's sourcing of work from USWA-Delphi Automotive Systems locations including work connected with current, new or redesigned component products. When a request for quote is initiated, the Union will be advised in writing by the Corporation. At such time as the quotes have been received and an outsourcing decision is contemplated the Union will be given 150 days' written notice or longer advance notice when possible. The notice will include the reason for the outsourcing, a description of the work involved, the number of jobs affected on both a short-term and long-term basis, if known, at both the affected facility and any other Delphi Automotive Systems-USWA represented facility, the identification of the sourcing authority, and all financial information. Proposals to keep the work in-house will be made by the Union within 90 days of the receipt of the written notice.

a. When such an outsourcing decision is contemplated and within the control of the Local Management, the written notice will be given to the Chairperson of the Shop Committee. A copy of such notice will be sent to the President of the Local Union and the Executive Director, Industrial Relations, for the Corporation.

b. When such a contemplated outsourcing decision is initiated by any other sourcing authority of the Corporation at a level external to the affected location(s), that sourcing authority will provide sufficient advance written notice to allow the designated management representative at the impacted location

to comply with the notification procedure. The written notice will be given to the Chairperson of the Local Union Shop Committee. Also, a copy of such notice will be given to the President of the Local Union and to the Executive Director, Industrial Relations.

Additionally, Union input will be sought by the Corporation and its Divisions as early as possible in the outsourcing decision-making process. The intent of the evaluation period and the Union input being sought as early as possible is to allow for more thorough discussion and to permit the parties to better assess the impact of outsourcing on the long-term job stability of employees and the financial viability of given Corporate locations.

c. The sourcing authority will not enter into a contractual relationship with a non-Delphi/USWA supplier until such time as the designated management representative of the impacted location provides written verification that the above notification procedure and discussion by the JOBS Committee, has taken place.

If it is established that the work can be performed competitively, judged by the criteria listed earlier in this Appendix, Management will, barring unique and unforeseen circumstances, keep the work in-house. The Union shall thereafter obtain any necessary approvals or ratification within 30 days of the decision to keep the work in-house.

d. The Corporation agrees to a full disclosure to the Union of the procedures utilized in sourcing activities.

3. Future Product Sourcing

Union input to early sourcing decisions will be sought by the Corporation's Divisions. In that regard, the Union will be notified in writing by the appropriate Division upon approval of "Project Charter" to

proceed for those subsystems or components that are included in the Product Development Process. Following the notification, the President of the Local Union shall have the responsibility for overseeing the interface with other USWA represented Delphi Automotive Systems facilities.

The implementation of this process should provide the parties with the mechanism to take advantage of every opportunity to use internal resources and to create jobs for Protected employees.

The commitments expressed in this Appendix are intended to contribute significantly to our cooperatively working together to provide Delphi Automotive Systems employees in the United States improved job security by growing the business.

Very truly yours,

Bernard J. Quick
Director Labor Relations

MEMORANDUM OF UNDERSTANDING JOINT ACTIVITIES

During current negotiations, the parties discussed the challenges in the marketplace from both foreign and domestic competitors. There is mutual recognition that these challenges require a fundamental change to maximize the potential of our human resources. This change can occur only by building on our current joint efforts and by fostering a spirit of cooperation and mutual dedication that will permit the full development of the skills of our people and meaningful involvement in the decision-making process. Success in these endeavors benefits all of the parties: the USWA through a strong and viable membership; the employees through job satisfaction and job security; and the Corporation through achieving its goal of becoming a world-class competitor.

The parties agree that the most appropriate method for handling a variety of joint endeavors is through the establishment of a Local Joint Activities and Training Committee.

In order to make constructive progress in this regard, there is a need to reach a common understanding of the concept of "jointness" and to establish a facilitating mechanism to assure that the various programs related to changes in the work environment are appropriately and effectively administered.

The term "jointness" is understood to mean that concepts for these activities be jointly developed, implemented, monitored and evaluated. Furthermore, decisions must be arrived at in a setting which is characterized by the parties working together in an atmosphere of trust; making mutual decisions at all levels which respect the concerns and interests of the parties involved; sharing responsibility for the problem-solving process; and sharing the rewards of achieving common goals.

The parties agree that the appropriate facilitating mechanism for joint endeavors is the National Joint Activities and Training Committee.

I. NATIONAL JOINT ACTIVITIES AND TRAINING COMMITTEE

The parties agree that this National Committee will consist of one (1) representative from the Corporation's Labor Relations Staff, one (1) representative from the Delphi Energy and Chassis Systems Industrial Relations Staff and the President of the Local Union and one (1) member of the Union Executive Board or their designated representative.

The National Joint Activities and Training Committee will actively direct and support the Joint Committee on Health and Safety, the Committee on Attendance, the Employee Assistance Program Committee, the JOBS Program and such other joint committees and activities as may be mutually agreed to by the Union and the Corporation. The National Committee will appoint an equal number of representatives from both Union and Management to serve on these joint committees. Additional persons external to either party may also be appointed with the mutual approval of the National Committee. Other duties and responsibilities of the National Joint Activities and Training Committee will include, but not be limited to the following:

- (a) Setting policies and providing guidelines;
- (b) Allocating funds for projects and activities;
- (c) Monitoring expenditures for approved projects and activities;
- (d) Coordinating the efforts of the Committees referred above;

(e) Evaluating and auditing the ongoing performance and results of these committees.

(f) Review and approve proposals for National meetings, conferences and workshops.

(g) Integrate Joint Activities with Corporate structures and business decisions.

(h) Keeping Local 87, USWA leadership, Corporate Management and Divisional Management informed of joint Union-Management activities and the progress of the National Committees in achieving their objectives, including convening regular joint meetings at the Division and Staff level to promote the coordination, delivery and implementation of effective human resource development programs and processes throughout the plant as well as to share appropriate business and joint activity information.

II. LOCAL JOINT ACTIVITIES COMMITTEE,

During current negotiations, the parties discussed the need to focus the responsibility for all local joint activities on those individuals who have primary responsibility for their success and to enhance their effectiveness through improved information sharing, priority and goal setting, resource allocation and the elimination of duplication.

Accordingly, the parties agree that the appropriate local facilitating mechanism for all local joint activities is the Local Joint Activities Committee consisting of the President of the Local Union, Shop Committee Chairperson and members of the Local Union Executive Board or their designated representatives, Plant Manager, Personnel Director and other appropriate Management Representatives. The Local Joint Activities Committee is responsible for actively supporting and directing the Local Joint Skill Development and Training Program, Human Resource Development Process, Local JOBS activities and to provide coordi-

nating among all other local joint activities such as Health and Safety, EAP, Quality Network, etc.

The duties and responsibilities of the Local Joint Activities Committee include the following:

A. Provide structure for integrating all joint efforts.

B. Set local policies/guidelines to enhance each joint activity.

C. Integrate joint activities with business operations through a joint planning process.

D. Allocate and monitor local joint funds and other resources in accordance with this memorandum and national guidelines in support of all joint activities.

E. Insure USWA Joint Training Representative(s) are involved in the preparation of training budgets/plans directed at USWA represented Delphi employees.

F. Monitor and evaluate the performance and results of joint activities and provide positive recognition and/or corrective direction as required.

G. Regularly exchange information on plant operations and communicate appropriate information to all employees.

H. Keep Local 87, USWA and Corporation leadership including the National Joint Activities and Training Committee informed of the status and progress of joint activities.

I. Approve and implement training plans directed at USWA represented Delphi employees.

J. In situations where mutual agreement regarding joint activities cannot be reached locally, either party may appeal the issue to the National Joint Activities and Training Committee for resolution.

K. The Union will be fully involved in all phases of training including analysis and development that is directed at USWA-represented employees.

Funding

It is agreed that the Corporation will make available for the activities directed solely by the National Committee funding up to \$5.00 per overtime hour worked in incremental amounts in excess of five percent (5%) of straight-time hours worked (calculated on a twelve month rolling average). Such funding will be calculated in accordance with the following incremental table. Funding shall commence with the effective date of the new Main Agreement and continue for its duration with the exception that those employees assigned to work in skilled classifications as defined in Seniority Section B-II will be limited to a maximum funding rate of \$1.25 per overtime hour worked as defined above. The funding rate for skilled employees will be subject to review by the National Joint Activities and Training Committee on an annual basis with the understanding that any subsequent modifications, as it relates to skilled employees overtime funding, shall not exceed the incremental amounts noted in the following table.

Overtime Hours as Percent of Straight Time Hours	Additional Amount Per Hour
5% or less	\$0.00
Greater than 5% thru 12%	1.25
Greater than 12% thru 13%	1.50
Greater than 13% thru 14%	2.00
Greater than 14% thru 15%	2.50
Greater than 15% thru 16%	3.00
Greater than 16% thru 17%	3.50
Greater than 17% thru 18%	4.00
Greater than 18% thru 19%	4.50
Greater than 19%	5.00

It is agreed that the Corporation will make available to the local Joint Activities and Training Committee for use either in the plant or in certain nationally

approved projects, including Health and Safety Training subject to the provisions of the Memorandum of Understanding Joint Activities, funding at the rate of \$.062 per hour worked. Such funding shall commence with the effective date of the new Main Agreement and continue for its duration.

Approval Process

Any requests for authorization to expend funds must be jointly approved by local parties and submitted to the National Committee for approval. In situations where mutual agreement regarding fund approval cannot be reached locally, either party may appeal the issue to the National Joint Activities and Training Committee for resolution.

Funds Utilization

Funds may only be used for joint endeavors in furtherance of this Memorandum of Understanding, or in support of the Joint National Committees specified above. Definitive guidelines will be jointly developed and communicated subsequent to ratification. The parties are specifically empowered to review and evaluate this Memorandum and the guidelines and make mutually satisfactory adjustments and modifications during the term of this Agreement. Following are illustrative examples of appropriate uses of the various funds.

- Specific projects dealing with active workers
- Joint National Studies
- Joint National Pilot Programs
- Joint National Agreement administration
- Training efforts of active employees in job related skills, basic education enhancement and interpersonal skills.
- Specific studies, pilots, activities, etc. agreed to by the National Parties.

It is understood that funds at any level may not be utilized for contractually specified training such as apprentice training nor for funding of time off the job of designated or elected USWA representatives routinely functioning in administration of the contract.

It is understood that nothing in this Memorandum limits the rights of either party to provide education and training programs on the same, similar or other subjects.

Agreement Expiration

In the event the parties should agree to discontinue, in whole or in part, this Memorandum prior to the expiration date of the new Main Agreement, or upon expiration, the parties shall meet to discuss any problems arising out of the termination. After reconciliation of claims, commitments, and accruals through the expiration date of the new Main Agreement, any balance of funds described above will remain with the Corporation and the Union will have no claim on such funds.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on the 8th day of December, 1999.

International Union	<u>Delphi Automotive Systems</u>
USWA Local 87	<u>Delphi Energy and</u>
	<u>Chassis Systems</u>

MEMORANDUM OF UNDERSTANDING HUMAN RESOURCE DEVELOPMENT

A landmark letter appeared in the Main Agreement in 1982 which recognized the desirability of mutual organizational change efforts designed to improve the quality of work life of employees and the success of the Corporation. Going forward, Delphi Automotive Systems and the Local Union 87, USWA, have agreed that a single focus must be communicated throughout the organization.

This focus should revolve around People and the beliefs and values of the Quality Network, recognizing that the total involvement of People in all that we do is essential to job security and the success of both the USWA and the Corporation.

In accordance with this focus the parties recognize that all joint activities will continue to encompass a philosophy that emphasizes joint relationships built on mutual trust, cooperation and respect.

Therefore, the parties agree that all processes directed at developing our human resources will be jointly developed, implemented, monitored and evaluated.

The National Joint Activities and Training Committee composed of representatives of the Union and the Corporation will have the responsibility for:

- Promoting and initiating processes, projects and training that enhances the development of our human resources.
- Making Human Resource Development Training available for Management and local Union representatives who initiate joint processes.
- Providing information to local parties on the availability of resources including training and consulting.

- Assuring that joint Union and Management groups at the local level receive consultative support and assistance as requested.
- Sponsoring joint training conferences for those individuals responsible for coordinating/consulting Human Resource Development activities.
- Sponsoring Joint Human Resource Development Leadership conferences.
- Publishing Human Resource Development guidelines and materials.
- Assuring that consultative resources are established and maintained.
- Approving and monitoring the use of non USWA-Delphi consultants.

The Local Joint Activities Committee will be responsible for the local Human Resource Development processes, setting goals and policy direction consistent with guidelines established by the National Joint Activities and Training Committee and will jointly guide, maintain and evaluate the process.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized offices and representatives on the 8th day of December, 1999.

Local 87, USWA Delphi Automotive Systems

**INTERPRETATIONS, STATEMENTS,
LETTERS AND THE
MEMORANDUM OF UNDERSTANDING
ON HEALTH AND SAFETY**

(The following documents connected with the 1999 Delphi Energy and Chassis Systems and Delphi Automotive Systems-USWA negotiations are not a part of the Agreement but have been included in this booklet for information purposes.)

(See Index page vii in the front of the Agreement Book).

MEMORANDUM OF UNDERSTANDING ON WORK CENTERS

During 1982 negotiations the Corporation brought to the attention of the Union alleged abuses which the Corporation claimed existed in the operation of the Work Centers. As a result of those discussions, it was agreed as follows:

1. Management may bring to the attention of the Local Union any alleged abuses in the operation of the Work Center. The parties will attempt to resolve the issue.

2. If the problem is still not resolved it may be referred by either of the parties to the Labor Relations Staff of the Corporation and the International Union. The International Union and the Corporation will determine the necessary corrective action.

UTILIZATION OF WORK CENTERS

1. Usual office type equipment such as typewriters and duplicating machines may be furnished by the Local Union for use in the Work Center. In such instances, the plant procedures for bringing and removing personal property into and from the plant must be followed.

2. A notice will be placed at the entrance of each Union Work Center explaining the function of the facility and expressly prohibiting unauthorized entrance by persons other than mutually agreed authorized Union representatives.

3. Pictures, calendars, cardboard, etc., will not be affixed to the windows, nor will the view be obscured in any manner.

4. A window opening similar to a cashier's window may be installed in each Union Work Center so that

employees with a bona fide question or inquiry can receive necessary service without entering the Union Work Center.

5. Lighting will be provided in such a manner that cannot be extinguished during times of use.

6. The Work Center will be locked to prohibit entry by unauthorized persons.

7. At each plant location a joint examination of the furniture in the Work Center will be made within ninety (90) days of the effective date of the Main Agreement. Furniture that is unsatisfactory will be repaired or replaced. Union representatives will exercise care in using the facilities and good housekeeping practices will be followed.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officer and representatives on this 8th day of December, 1999.

International Union	<u>Delphi Automotive Systems</u>
USWA Local 87	<u>Delphi Energy and</u>
	<u>Chassis Systems</u>

MEMORANDUM OF UNDERSTANDING HEALTH AND SAFETY

The USWA and Delphi Automotive Systems have for many years been proud leaders in adopting and effectuating policies designed to resolve employee health and safety problems and to promote a more healthful and safe work environment. To this end, the USWA and Delphi Automotive Systems have entered into the following Memorandum of Understanding which embodies the spirit of the concern shared by the USWA and Delphi Automotive Systems for the health and safety of employees. The parties have re-committed to jointly working toward a safer work place through the joint involvement of all employees.

The Corporation shall continue to recognize its obligation to provide safe and healthful working environment for employees during working hours. The Union will cooperate with the Corporation's efforts to fulfill its obligations. To implement and coordinate these principles, a National Joint Health and Safety Committee and Local Joint Health and Safety Committees have been formed, trained and empowered to function dealing with a broad range of the subject matter. Included in the Health and Safety Subjects Document (No. 3) awareness and compliance across Delphi Automotive Systems operating divisions. The parties continue to recognize their roles and responsibilities, for assuring that all Delphi Automotive Systems employees have safe and healthy work environments. The function of the Joint Committees should be technically constructive, cooperative, advisory and problem resolution oriented. As a result of this Memorandum of Understanding, the Union has agreed that it will encourage its members to utilize the internal resolution mechanisms as the means to resolve complaints regarding health and safety matters.

The parties recognize that a joint commitment must be directed toward achieving a safe and healthy work place. Therefore, it shall be the responsibility of the National Joint Committee, as the mechanism, to guide in an appropriate direction.

I. The Corporation agrees to:

a. Provide the necessary or required personal protective equipment, devices and clothing at no cost to employees. Problems in this regard will be worked out by the Local Joint Committee.

b. Provide equipment for measuring noise, air contaminants, and air flow, including smoke tubes, which will be available for use by the representatives of the Local Joint Committees on Health and Safety, established pursuant to Section III hereof. Industrial hygiene monitoring equipment authorized by the National Committee will be available as requested for use by the representatives of the Local Committee.

c. Provide training for members of the Local Committee and appropriate education and training in health and safety for all employees.

d. Disclose, to the co-chairs of the National Joint Committee, the identity of chemicals or materials to which employees are exposed, including any information regarding remedies and antidotes for such chemicals. Information contained in each such disclosure, shall remain the property of Delphi Automotive Systems and will not be released without the expressed written permission of the Corporation.

e. Provide competent staff and medical facilities adequate to implement its obligation as outlined in (f) below.

f. Provide to employees who are exposed to potentially toxic agents or toxic materials, at no cost

to them, those medical services, physical examinations and other appropriate tests including audiometric examinations, lung function tests, and appropriate medical surveillance as identified by the National Joint Committee on Health and Safety at a frequency and extent necessary to determine whether the health of such employees is being adversely affected. Also, to provide the specific tests required for employees in jobs with special physical requirements.

Provide to each employee upon their request a written report of the results of such examinations or tests which are related to occupational exposure. These results as well as those instances where it is determined that an employee has had a personal exposure exceeding the permissible levels as set forth in 29CFR-1910-1000-, Air Contaminants; will be reviewed with the employee by the plant medical department prior to their release. Upon the employee's written request, copies of such information will be forwarded to the employee's personal physician. Problems regarding this procedure should be brought to the attention of Management.

In addition, in those instances where a breathing zone air sample is collected, the employee will be notified of the results which will be entered on the employee's medical records.

g. The Manager for Health and Safety for Delphi Energy and Chassis Systems will coordinate requests from Plant Management, the Local Health and Safety Committee, the Local Union Executive Board or the National Joint Committee for plant surveys. Reports generated from such surveys will be reviewed by the National Joint Committee.

h. Provide access, upon reasonable notice, to the plants to International Union Health and Safety representatives. Upon request, reports on such surveys will be provided to the Corporation.

i. Provide the National Joint Committee and Health and Safety professional of the International Union's staff the same data, when available, for the plant that the Division is now required to compile on OSHA "Summary of Occupational Injuries and Illnesses"- as it is now constituted, and the total man-hours worked and the incidence rate for each plant for the comparable period.

j. Direct Local Management and Local Health and Safety Committees to provide prompt notification of fatalities, serious accidents or incidents including chemical spills, having potential for serious injuries or illnesses to the National Joint Committee. After making appropriate arrangements a prompt investigation may be made by the designated members of the Divisional Review Board.

II. The National Joint Committee on Health and Safety will consist of two (2) representatives of the International Union and two (2) representatives of the Corporation. Each party will appoint at least one (1) member who has professional training in industrial hygiene or safety. This National Committee shall:

a. Meet at least quarterly at mutually agreeable times and places. A summary listing of the items discussed at the meetings will be provided.

b. Review the Corporation's safety and health programs and make timely recommendations.

c. Develop an appropriate training program to be established for the Union members of the Local Joint Committees on Health and Safety. Annual training programs agreed to by the National Joint Committee will be provided to the Local Joint Committee so that they may perform their functions satisfactorily. In addition, they will receive specialized training appropriate to the operations in the plant. The National Joint Committee will be provided the opportunity to

review, approve and participate in such training or instruction programs and make necessary and desirable recommendations.

d. Develop guidelines for employee training and education.

e. Review and analyze federal, state or local standards or regulations which affect the health and safety programs within the Plant.

f. Review problems concerning serious or unusual situations affecting plant health and safety and make timely recommendations.

g. Review and analyze the health and safety data for all plants that the Corporation is now required to compile on OSHA "Summary of Occupational Injuries and Illnesses" and Form 200S as they are now constituted.

h. Receive and deal with matters referred to them by the Local Joint Committee. Reports, studies, etc., may be submitted to the National Joint Committee. The Local Joint Committee may request the National Joint Committee to evaluate and/or interpret the reports, studies, etc. The National Joint Committee will normally respond within thirty (30) days from receipt of such request.

III. A Local Joint Committee on Health and Safety, hereinafter referred to as Local Committee, will be established in the bargaining unit.

Health and Safety functions; where there are not provisions for a Health and Safety Representative, may be performed by the Chairperson of the Shop Committee in addition to his/her other functions as a Committeeperson.

The Local Committee will consist of one (1) representative appointed by the Corporation and one (1)

representative appointed by the International Union. The Union member shall serve an indefinite term. The Union member will receive adequate and necessary training, without cost to him/her, to enable him/her to perform his/her functions effectively.

In the event the Local Union Health and Safety Representative is absent for one day or more, he/she will be replaced by an employee who has been designated as the regular replacement by the International Union. As soon as practical following the effective date of this Agreement, the International Union shall provide the Corporation the names of the employees so designated.

The Local Committee shall:

a. Meet at least once each month at a mutually agreeable time and place to review health and safety conditions within the plant and make such recommendations in this regard as they deem necessary or desirable.

b. Make a health and safety inspection once each two weeks. Prior to such inspections, a review may be made of OSHA Form 200 accident experience. Investigate promptly major accidents as defined by the National Committee. Receive prompt notification of any employee fatalities or serious accidents resulting from work related injuries. When such events occur during the 2nd or 3rd shift, the Management member of the Local Committee will endeavor to notify the Union member, inform him/her of the facts, and arrange upon request, for him/her to enter the plant and investigate such events.

c. Accompany Federal and State OSHA Governmental Health and Safety inspectors and International Union Health and Safety professionals on plant inspection tours. Also, accompany Corporate or consultant Health and Safety professionals on regular sur-

veys at the plant and surveys requested by the Union and upon request receive results of such surveys. Advance arrangements should be made to permit participation in such surveys. The Union does not waive any rights provided by federal or state law by such accompaniment.

d. Review lost time accidents, (ANSI, Z-16.2) and other major accidents, as defined by the National Committee which occur in the work place and do not result in lost time, and also review plant safety reports on such accidents and make any necessary or desirable recommendations.

e. Receive a copy of the plant's report on OSHA "Summary of Occupational Injuries and Illnesses" and the facility's total man-hours worked and the incidence rate for the comparable period.

f. Review forms Incident Investigation and OSHA 101.

g. Review, recommend, approve and participate in local safety education and information programs and employee job related health and safety training.

h. Where necessary, measure noise, air contaminants, and air flow with equipment provided by the Corporation and observe the use of appropriate industrial hygiene and safety testing equipment as required when available in the plant. Upon request, the Local Committee and the National Joint Committee will be provided copies of photographs taken which relate to health and safety matters in the plant. Such photographs (including video tapes, etc.) shall be for the confidential use of the Local Committee, the National Joint Committee or the International Union only and shall not be reproduced, published and distributed in any way without the expressed written consent of Delphi Automotive Systems.

i. Be advised of breathing zone air sample results and known physical agents or chemicals to which employees are exposed and protective measures and applicable emergency procedures. In addition, whenever it is determined that an employee has had a personal exposure exceeding the permissible level as set forth in 29CFR-1910.1000, Air Contaminants and Delphi Occupational Exposure Guidelines, the Local Committee and the National Joint Committee shall be informed in writing of such exposure and the corrective action to be taken.

j. When either member of the Local Committee has a reasonable basis for concluding that a condition involving imminent danger exists, relevant information shall be immediately communicated to the co-committee member so that joint investigation can be carried out immediately and necessary or desirable recommendations made. Upon joint recommendation, the machine or operation will be taken out of service to perform any and all corrective action.

IV. Complaint Procedure

a. Each District Committeeperson shall conduct an inspection of his/her district one weekday each week for the purpose of examining health and safety conditions. He/she may call for the Union representatives of the Local Committee to take measurements of noise, air flow and chemical exposure utilizing equipment authorized by the National Joint Committee where appropriate training has been completed. The District Committeeperson will discuss with the Advisor and, failing successful resolution, with higher supervision, any problem which he/she feels requires correction. Every reasonable effort shall be made to settle the complaint at this point through discussion. If the problem remains unresolved, the Committeeperson may complete a "Health and Safety

Complaint Form" in writing, in quadruplicate, which will include a statement of all the facts of the complaint.

b. Complaints by employees concerning health and safety issues may be taken up in accordance with Paragraph (31a) of the Agreement with the understanding, however, that the Committeeperson, if called, will discuss the matter with the Advisor and, failing resolution, with higher supervision. If the matter is still not resolved, he/she may complete a "Health and Safety Complaint Form," as described in (a) above.

c. The member of higher supervision will give his/her answer promptly in writing on the "Complaint Form." The Committeeperson will give him/her two (2) copies of the "Complaint Form" and transmit one (1) copy to the Union representative of the Local Committee.

d. The Local Committee will within two (2) working days visit the area where the complaint arose and observe the conditions complained of. Within a maximum of three (3) working days from the day of their visit, the Local Committee will answer the complaint in writing. A unanimous decision by the Local Committee will settle the issue. Failing such unanimous decision, the complaint will be discussed at a special conference attended by the Union and Management members of the Local Committee, the Chairperson of the Shop Committee or his/her designated representative, and another member of Management. If the parties are unable to resolve the complaint in the special conference, the complaint will be answered by Management within five (5) working days. Thereafter, Paragraph (34b) of the Agreement will be applicable. Thereafter, the regular Grievance Procedure of the Agreement will be applicable.

e. Health and safety complaints affecting substantial groups of employees may be initiated by the

Health and Safety Representative. To do so, he/she shall submit a completed "Health and Safety Complaint Form" to the Chairperson of the Shop Committee. Should the Chairperson of the Shop Committee, upon investigation of the complaint, determine that the complaint has merit, he/she shall sign the form and present it to Management in a special conference as outlined in IV(d) above within five (5) working days.

V. Nothing herein shall be construed to restrict any employee's rights under Section 502 of the Labor-Management Relations Act, 1947, as amended.

VI. No provision herein will restrict the right of the Chairperson of the Shop Committee, or District Committeepersons to perform their functions under the terms of the Agreement.

A Health and Safety Representative, who is appointed by the International Union, shall have only the duties and functions as set forth in this Memorandum and attachments dealing with Health and Safety. He/she shall be subject to the provisions of the following paragraphs of the Agreement: (11), (14), (16), (18), (19b), (20), (24) and (63c). Although it is recognized that he/she is not a District Committeeperson, during regular hours he/she shall be paid and shall be scheduled to report at the plant for Health and Safety representation purposes as though he/she were a District Committeeperson, subject to the provisions of the Agreement, with his/her designated Health and Safety representation area of his/her shift as his/her district. During other than regular hours, he/she will be scheduled to report for Health and Safety representation purposes as follows:

a. During overtime, part-time or temporary layoffs, or inventory when three hundred (300) or more or fifty percent (50) or more of the people on his/her

shift in his/her Health and Safety representation area are scheduled to work. In addition, when new equipment and/or processes are being installed or tried out and one hundred (100) or more of the people on his/her shift in his/her Health and Safety representation area are scheduled to work.

b. During shutdown for model change, or for plant rearrangement when one hundred (100) or more of the people on his/her shift in his/her Health and Safety representation area are working on model change or plant rearrangement work.

During overtime hours, when less than three hundred (300) or less than fifty percent (50%) of the people on his/her shift in his/her Health and Safety representation are scheduled to work, he/she will not function pursuant to this Memorandum of Understanding, but he/she will be scheduled to function as a Health and Safety representative when work is otherwise available in his/her equalization group in accordance with Paragraph (114) of the Agreement.

The Alternate Health and Safety Representative will be allowed to function in the absence from the plant of the Health and Safety Representative, when such absence is occasioned by the Health and Safety Representative's attendance at the annual joint training conference.

Finally, nothing in this Memorandum of Understanding, the attachments hereto, various policy letters on health and safety, or the joint health and safety training materials is intended nor should it be taken to impose upon the International Union, Local Union, Health and Safety Committee, Union Officials, employees or agents, a legal or financial liability for either the health and safety of Delphi Automotive Systems employees or for work connected injuries, disabilities, diseases or related losses incurred

by employees of Delphi Automotive Systems or its subsidiaries or by third parties while on the property of Delphi Automotive Systems or its subsidiaries.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on this 8th day of December, 1999.

International Union	<u>Delphi Automotive Systems</u>
USWA Local 87	<u>Delphi Energy and</u> <u>Chassis Systems</u>

HEALTH AND SAFETY SUBJECTS

December 8, 1999

Mr. Dennis Bingham

President

Local 87, USWA, AFL-CIO/CLC

21 Abbey Avenue

Dayton, Ohio 45417

Dear Mr. Bingham:

Various documents in the prior Agreement pertained to matters of health and safety. Pursuant to our discussions during these negotiations, it was agreed to consolidate the highlights of those documents into a single comprehensive letter for the purpose of clearly setting forth the parties joint commitments to health and safety principles:

A. Noise Abatement Program

The joint parties recognize that the Corporation has had a comprehensive Hearing Conservation and Noise Control Program for the purpose of continuous incremental improvements in noise reduction. In accordance with this program, each plant is required to have a Noise Control Committee. The Noise Control Committee will consist of representatives from Plant Engineering, Operations, Medical, Industrial Hygiene, Finance, Purchasing, the Local Joint Health and Safety Committee and others as deemed appropriate by the Plant Safety Review Board, such as certain skilled trades personnel, and/or other employees. The Noise Control Committee has the responsibility to seek input from plant personnel in identifying noise sources and potential ways to reduce noise levels.

The Noise Control Committee will:

- Ensure audiometric testing is performed for employees exposed above 85 dBA.

- Perform an annual evaluation of the noise abatement plan and provide recommendation for improvement to the Plant Safety Review Board.
- Ensure reports follow formats specified in Delphi Hearing Conservation and Noise Program SL 3.0.
- Ensure new and rebuilt equipment meet the Delphi Sound Level Specification SL 1.0.
- Identify planned maintenance items related to noise control.

The Corporation will continue to conduct the annual noise exposure survey and provide findings to the Local Joint Health and Safety Committee and summary noise abatement program findings to the National Joint Committee on Health and Safety.

The Noise Control Committee will meet regularly, record minutes, and report quarterly to the Plant Safety Review Board regarding progress on the Noise Abatement Plan. The annual evaluation will include:

- Copies of the plant's noise abatement program.
- The number of employees that experienced standard threshold shift.
- The number of employees that are required to wear hearing protection.
- The number of employees at risk of exposure at or above 85 dBA.
- The number of employees at risk of exposure above 90 dBA.

B. Working Alone

The parties have discussed the Corporation's policy regarding the assignment of employees to tasks in isolated locations or confined closed-entry spaces. The

Corporation explained that when work assignments involve situations hazardous to an employee, appropriate precautions will be taken in accordance with safe work practices, including air sampling and ventilation when necessary, communications systems, personal surveillance arrangements and, as required, adequate support personnel. This will not change or restrict any mutually satisfactory local practices.

C. No Hands in Dies Policy

The Corporate policy has been and continues to be 'No Hands in Dies'. Implementation of 'No Hands in Dies' in the plant requires provision for expendable hand feeding tools, slide feeds, sliding bolsters, automatic or semi-automatic operation, die cutouts or other means and procedures whereby the operators are not required to place their hands into the point of operation. In addition, well disciplined procedures for use of die blocks and safety lockouts and tags for maintenance and setup personnel are imperative. An intensive orientation program for operating supervisors, and process and facilities engineers may also be advisable.

D. Health and Safety Representative Training

The Corporation advised the Union that an employee appointed as full-time Health and Safety Representative pursuant to Section III of the Memorandum who may wish to enroll in courses of instruction relating to health and safety at approved educational institutions will be eligible to apply for tuition refund for such courses subject to the terms and conditions of the Corporation's Tuition Refund Program.

E. Lockout Policy

During the current negotiations the USWA and Delphi Automotive Systems discussed their mutual concern regarding fatalities and serious injuries to

employees, including operators performing repair, service and maintenance activities on machinery and equipment. The parties agreed that, to be effective, the Lockout-Energy Control program must be universally implemented and enforced throughout the Corporation.

In addition to be effective, the parties reaffirmed that the elimination of the potential for injury from hazardous energy is critical to worker safety.

It is the policy of Delphi Automotive Systems and endorsed by the USWA that: Lockout is required where employees may be exposed to hazardous energy which could cause injury. Exposure means that the employee is in a position to be injured by released energy.

Where an employee is exposed to potential injury from expected machine energy/motion, the exposure must be eliminated. If the exposure cannot be eliminated, the machine will be locked out.

Each location will maintain an effective Lockout-Energy Control program which will apply to all employees based on implementation guidelines.

F. Safety Talk Program

The parties are aware that many individual plants and Divisions have developed safety talk procedures which are effective in their design and manner of presentation and which in some cases make use of devices. The review of these programs is a proper subject for discussion by the National Committee so that this information may be communicated to other Delphi plants.

G. Training

Delphi Automotive Systems agrees to provide additional joint health and safety training to enhance the

safety awareness, hazard recognition, and technical skills of Delphi Automotive Systems employees covered under the terms of this agreement. The parties recognize that in order to provide for basic uniformity, the National Joint Committee on Health and Safety will develop guidelines to be used by Delphi Energy and Chassis Systems - Home Avenue and Vandalia and the Local Health and Safety Committee to design training programs to meet local needs. The National Joint Committee on Health and Safety will develop a system to review and approve health and safety training programs.

Training efforts will be initially concentrated in the following areas:

- Skilled trades safety training;
- Union representatives and supervisors;
- Local Health and Safety Committee;
- Hazard communication training, where required, pursuant to a jointly developed program; and
- Initiate pilot employee involvement safety training programs where appropriate.

H. Research

The National Joint Committee on Health and Safety will be responsible for evaluating the need for research. The results of research conducted will only be used for purposes specifically authorized by the National Joint Committee on Health and Safety.

The National Joint Committee on Health and Safety will be responsible for prompt communication of research findings to affected employees.

I. Hazardous Materials

The Corporation informed the Union that a Management and a Union member of the Local Health and Safety Committee will become members of the Local Plant Hazardous Materials Control Committee.

J. Review of Technology

Delphi Automotive Systems and the USWA will establish a procedure to allow the Local Health and Safety Committee to jointly review new plant layouts, new manufacturing equipment and major process changes where employee health and/or safety may be affected.

The parties have resolved the health and safety issues during these negotiations as follows:

K. Safe Job Design

Delphi and the USWA recognize the advantages of designing process and equipment with effective health and safety controls. The parties agree to develop and implement a program to include health and safety controls during the development of new equipment and processes.

L. Effort to Reduce Fatalities

As a continuation of previous joint efforts, the parties agree to jointly implement a strategy designed to reduce and hopefully eliminate fatal accidents in Delphi operating units. One Union and one Management person will be assigned for the duration of this agreement to administer the elements of this strategy. In support of the joint strategy to reduce fatalities, the parties agree to conduct research on serious and fatal accidents. Results of this research will be used for purposes specifically authorized by the National Joint Committee.

M. Chemical Exposures

During these negotiations, the parties discussed concerns related to control of chemical exposures and employee health. Delphi advised the Union of ongoing efforts designed to provide control of materials, equipment and layouts used in production processes where employee health and/or safety may be affected.

The Joint Parties agree that prior to implementing new chemical technology/processes and changes to current chemical processes, reviews will be made at the appropriate level (i.e., Plant Safety Review Board, Divisional Review Board, and National Joint Committee), for awareness and discussion of safety related issues and/or concerns.

The parties also agree to explore the concept of training hourly employees to assist in monitoring various aspects of the work environment and who would perform such duties under the direction of a Delphi industrial hygienist. A sampling plan will be devised where appropriate in conjunction with the local Joint Committee. Samples collected will be analyzed under the direction of a Delphi Industrial Hygienist.

Furthermore, Delphi Automotive Systems and the USWA recognize that the Hazard Communication Program is an outstanding example of the benefits derived from joint participation. The parties agree to explore methods to improve labeling provisions so that the best interests of the employees are maintained.

N. ERGONOMICS

Delphi Automotive Systems will establish an ergonomics program at USWA represented locations utilizing guidelines established between Delphi Automotive Systems and the International Union, USWA. The purpose of the program is to deal coop-

eratively and constructively with the problem of Cumulative Trauma Disorders (CTD's) in the workplace.

Delphi Automotive Systems has re-committed to fixing jobs that are identified as presenting a corresponding and documented risk of employee injury. The parties recognize that effective corrective action for jobs which present a documented risk of injury, require the timely use of sound judgement in combination with training, experience, and the following:

- Analysis results from the risk factor checklist and secondary analysis tools (when utilized);
- Injury/illness history of both the job and the worker;
- The history and future plans of the job.

Also, seats, chairs and mats can be considered appropriate solutions to control specific ergonomic risk factors. The Corporation agrees to leave such devices in place when they are provided in accordance with the guidelines in the USWA-Delphi risk factor checklist.

This joint program will:

- Establish a joint local ergonomics committee at each represented location which will implement, coordinate, review, and follow-up the ergonomics program. Each committee will consist of the plant manager and shop chairperson, who will oversee the program, and a working committee which will supervise the program, ensure job analysis, and follow-up work orders.
- The Union Health and Safety representative will serve as co-chairperson of the working committee. Management shall select a co-chairperson from among a medical staffer, a supervisory employee, an engineering employee, or the Management Health and Safety representative, with the others serving as committee members. The Union shall

also select one committee member from each of the following groups: skilled trades employees, Union shop committee persons, and production employees.

- Where there is no full time health and safety representative, or where agreed to by the National Parties, the plant manager and the Union person functioning in accordance with this Agreement for health and safety matters shall conduct a program to reduce risk factors for CTD. Each of these plants will be required to prepare and submit to the National Joint Committee for approval a written plan for implementation and conduct of its program with a description of the allocation of resources. The National Joint Committee after approving each plan will monitor the progress and compliance with the approved plan.
- The Ergonomics Committee shall meet at least monthly at plants where there is a full time Union Health and Safety representative. The National Joint Health and Safety Committee shall resolve any dispute concerning the timing/frequency of meetings at other locations.
- Facilities will allocate sufficient persons and resources to accomplish the objective of the ergonomics program. The allocation may vary depending upon size and nature of the operations. The Ergonomics Committee shall recommend such allocations necessary to accomplish the evaluation and correction within the specified time frame. The initial allocation of such resources will address operations identified through injury/illness analysis. Thereafter, the Ergonomics Committee will allocate such resources according to priorities set taking into consideration the symptoms questionnaire, subsequent injury/illness analysis, job analysis and employee input. Upon request, the National

Joint Committee shall assist the Ergonomics Committee in determining proper allocation of persons and resources.

The tasks of the Ergonomics Committee will be accomplished through the ergonomic coordinators with the assistance of ergonomic monitors, if necessary. The Ergonomics Committee will request sufficient numbers to be appointed to accomplish the objectives of this program within the time specified elsewhere. Reduction of time and effort by these individuals shall be based on completion of the tasks referenced by this Agreement and approved by the National Joint Committee.

- A written job analysis program will be developed to include the analysis of OSHA Injury and Illness Records, Worker Compensation Reports, and work related S & A data. Additionally, each facility will administer a symptoms survey and evaluate each production and maintenance job using the basic or supplemental job checklist. Training for the Ergonomic Committee analysis will be designed and provided by the National Joint Committee.
- Based on the results of the above referenced job analysis program, each facility shall implement feasible measures to control ergonomic risk factors. The Ergonomics Committee in conjunction with input from the workers, engineering, supervision, skilled trades and others, as appropriate, will make recommendations for corrective actions in accordance with the current ergonomics process. Once it is determined through the agreed upon ergonomics process that a job requires correction, recommendations for corrective action will be developed using the results of the jointly agreed upon analysis tools. Delphi Manufacturing Engineering Ergonomics Guidelines may be referenced for information regarding areas for potential improvement. Delphi

Manufacturing Engineering Ergonomics Guidelines is currently undergoing revision and will undergo future revisions as deemed appropriate by the Corporation. A good faith effort will be made to accomplish abatement of identified ergonomic hazards at a particular job or work station within six months of completion of job analysis. At those locations where ergonomically high risk aspects of a job have been identified by a systematic analysis (use of basic job checklist, injury/illness analysis) prior to establishment of the Ergonomics Committee as described in the Memorandum of Agreement, they will be abated as described above.

- Ergonomic factors will be considered with regard to new equipment and processes. Employees assigned to such operations will be monitored for symptoms and signs of CTD and, upon medical confirmation, job analysis and feasible corrective action will be taken.
- The Corporation recognizes that informal agreements have been reached at a number of facilities to conduct ergonomic activities at the facility level. The parties agree that these activities should continue and be integrated into the process of the above-described program. It is not the intent of the parties to reduce currently existing efforts in ergonomics while the job analysis system is being developed and implemented.
- Training will be conducted for personnel at all Delphi Automotive Systems facilities represented by the U.S.W.A. Specifically, awareness training will be conducted for all production and maintenance employees with special training to be conducted for select medical staff and those who will train plant personnel. Awareness training will be developed and made available to the plants by the National Joint Committee. This training will be com-

pleted at each location within one (1) year of the completion of the plant's written ergonomics plan.

- The establishment of a medical management program for the early detection and treatment of CTD's. The program will provide certain physical examinations, workplace walkthroughs, by medical/place-ment personnel, and placement for employees with medical restrictions.
- An audit procedure will be established to review the effectiveness of the ergonomics program. The audits will be held on a timely basis and the information shared with all designated parties.
- Include the systematic introduction as determined by the National Joint Committee of plants and facilities to the various phases of the program to facilitate proper communication, training and control of ergonomic factors. Plants and facilities will include Ergonomics in their business plans to reduce or eliminate CTD risk factors. The Local Ergonomics Committee will have access to the portion of the business plan that addresses ergonomics. The medical management program for the evaluation and treatment of CTD risk factors will be instituted concurrently at all Delphi-USWA facilities.

Delphi Automotive Systems recognizes the importance of identifying and addressing ergonomic issues early in the development process and values the importance of receiving input from plant ergonomic personnel. Feedback from the Ergonomic Committee on site specific ergonomic issues and practices will be provided to the design process at the earliest appropriate planning/design stage. This process will be evaluated and reviewed during the life of this agreement. Delphi Automotive Systems will take into account existing jointly established

analysis methods when developing internal ergonomic design recommendations for advanced product programs.

- As the systematic introduction of the ergonomics program occurs, the National Joint Committee will determine the timetable for completion of the job analyses of those jobs identified through injury/illness analysis. Job analysis of the rest of the facility jobs will be completed within the time frames established by the National Joint Committee. The job analysis will be conducted using the USWA-Delphi Risk Factor Checklist, as a first level screening tool which includes the USWA-Delphi lift guideline as identified in the Practical Ergonomics Training (PET). Work stations or job assignments for which injury or illnesses related to CTD risk factors have been recorded, or for which symptoms have been reported and confirmed, will receive first priority.
- The Local Ergonomics Committee may petition the National Committee for termination of a portion of the program. Such petitions may be filed on a showing that the program or phases of the program have been satisfactorily completed. The National Joint Committee (NJC) will make a determination based on the data submitted.
- USWA-Delphi Health Promotion. Following negotiations, the USWA-Delphi Joint Committee will appoint a joint health promotion task force to develop a program to enable employees to discover risk factors which contribute to hypertension (high blood pressure), high levels of fat (cholesterol) in the blood, overweight, tobacco smoking and other health risk factors such as Acquired Immune Deficiency Syndrome (AIDS) and to take action to minimize the impact of these health risk factors. It is anticipated that the various elements of this jointly

developed program will be packaged and made available for local implementation. This program will be supported by joint funds to the extent agreed upon by the National Joint Parties.

P. Plastic Injection Molding Machines

During these negotiations, the parties discussed the safe operation and guarding of plastic injection molding machines. It is recognized that hydraulically operated machines of this type may present hazards, different than mechanical power presses. Plastic injection molding machines will continue to be safeguarded in accordance with OSHA requirements and National Consensus Standards (ANSI).

Q. Review Board

The parties are committed to the continuous improvement of employee health and safety. The joint process developed between the parties has positively impacted this commitment. In order to place further emphasis on the implementation of the joint process and to enhance communication and resolution of health and safety issues throughout the respective divisions, each operating organization will implement a Health and Safety Review Board. Each Board will consist of the Divisional Manufacturing Manager, a designated USWA administrative representative and appropriate support personnel (or other similar arrangement approved by the National Joint Committee). Each board shall meet on a regular basis and consider appropriate health and safety matters within the respective division. In addition, the Divisional Review Board may request the National Joint Committee to consider projects, studies, training and other such matters that pertain to employee health and safety. Also, the National Joint Committee may seek advice from and may consider for implementation the health and safety needs expressed by the Divisional Review Board, including for example, special funding

requests, projects, studies, training and other employee health and safety matters.

R. Environmental Control

Environmental information and reports, which are required to be reported to various governmental regulatory agencies, will be made available to the National Joint Committee upon request. For example, this information may include the local Toxic Release Inventory compiled to comply with the Super-fund Amendments and Authorization Act, copies of environmental permits and compliance monitoring data. Other studies which directly involve or impact USWA bargaining unit employees will be discussed with the National Joint Committee.

S. Planned Maintenance

The National Joint Committee will jointly identify health and safety requirements to be integrated into the Quality Network "Planned Maintenance Action Strategy". These requirements will include both those that are regulated by government agencies and those established in USWA-Delphi programs. The Local Joint Health and Safety Committee will also review the "Planned Maintenance Action Strategy" to assure local regulations and/or practices currently in effect are included.

T. Contractor Safety

It is the Corporation's practice to provide outside contractors with Corporate Health and Safety policies and procedures and, where applicable, relevant site specific USWA-Delphi Health and Safety work practices. Additionally, Delphi requires that construction or maintenance contractors comply with applicable Federal, State, and Municipal Health and Safety regulations as stipulated in the Delphi/contractor contract.

Where the nature of the construction or maintenance work requires that the contractor's employees work together with USWA-Delphi employees, Delphi will require as a condition of the construction or maintenance contract the contractor's commitment to abide by applicable USWA-Delphi plant/site Health and Safety work practices.

The Plant Safety Review Board will monitor Contractor Safety activity to assure compliance, and any unresolved issues or concerns can be referred through the safety process to the National Joint Committee.

HEALTH AND SAFETY TRAINING

The parties recognize the need to better coordinate all joint training efforts at the operating unit level. As each unit is jointly developing local training priorities based upon needs analysis, they will be asked to make Health and Safety a part of this process.

LOCAL HEALTH AND SAFETY COMMITTEE TRAINING

Delphi and the USWA recognize the role and responsibility of the joint Local Health and Safety Committee to serve as a technical resource and consulting team to the local Management and Union. The parties further recognize the need for the professional development of these local Union and Management representatives.

The National Joint Committee will establish a system to encourage and recognize the professional development of joint local health and safety representatives.

Very truly-yours,

Bernard J. Quick
Director Labor Relations

UNION WORK CENTER

Date: December 8, 1999

Subject: Union Work Centers

To: Plant Managers

During current negotiations the Union requested that a work center be furnished where designated Union representatives could meet internally regarding representation matters, prepare statements required by the Grievance Procedure Section of the Main Agreement, and keep files necessary to carry out their functions.

Delphi Automotive Systems agreed to provide a suitable work center for the internal use of designated Union representatives provided the bargaining unit represents 500 or more employees. The Union recognizes that the work center will be for the use of designated Union representatives for the purpose only of handling internal Union affairs required by the Main Agreement as they related to the duties of their office. It is further understood that other employees may contact Union representatives in the work center during the non-work time of such employees.

The work center will include appropriate furnishings, such as desks or tables, chairs, filing cabinets, and an in-plant telephone. It will, upon request of the local union, also be equipped with a private telephone billed directly to the local union.

Any problems associated with implementation or administration of this letter may be reviewed with the Corporation's Labor Relations Staff

Bernard J. Quick
Director Labor Relations

**CENTER FOR BENEFIT PLANS AND
HEALTH AND SAFETY REPRESENTATIVES**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the Union indicated that the increased complexities of the Benefit Plans Representative(s)' duties and the function that the Health and Safety Representatives will be expected to perform make it desirable for these Representatives to be provided a center from which to conduct their activities. Such a center would provide these Representatives a place to carry out their respective duties in a professional manner and to retain orderly records necessary to their functions.

The Company agreed that such a center is desirable for the internal use of the Benefit Plans and Health and Safety Representatives.

The Company and the Union, realizing the value of proper administration in these areas, agree that the center shall be used only by the Benefit Plans and Health and Safety Representatives.

Sincerely,

Bernard J. Quick
Director Labor Relations

EXCHANGE OF VIEWS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During current negotiations, the parties reaffirmed their recognition of the value of an open and candid exchange of views and ideas between officials of the USWA, and Divisional management. Of particular importance to the Union is a timely exchange of information on major decisions that will significantly impact the employees it represents.

As a result of these discussions, when requested, arrangements will be made for the President of the Union to the address appropriate committee(s) of Delphi Energy and Chassis Division.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**MEMORANDUM OF UNDERSTANDING
BETWEEN DELPHI AUTOMOTIVE SYSTEMS
AND USWA
EMPLOYEE ASSISTANCE PROGRAM**

Delphi Automotive Systems, Delphi Energy and Chassis, Home Avenue/Vandalia and USWA, Local Union 87, express their determination to work jointly with personal problems including substance abuse and mental health among Delphi workers and their families.

Alcoholism and drug dependency is recognized by medical, public health authorities, Delphi Automotive Systems and the USWA as a disease. Excessive use of alcohol or other drugs by workers impairs their ability to function, in their lives and on their jobs. It contributes to increased absenteeism and tardiness and deterioration of job performance. This in turn disrupts work schedules with consequent dissatisfaction among the majority of workers who are sincerely trying to do conscientious jobs. The combination of factors is recognized as having a potentially damaging effect on plant efficiency and endangers the job security of the worker.

The causes of personal problems including alcoholism, drug dependency and mental health are not well understood and cures are difficult. Nonetheless, Delphi Automotive Systems and the USWA believe that constructive measures are possible to deal with these problems which are a major cause of family breakdown and are related to personal breakdown and violence in the community.

I. Objective

The objectives of this joint effort are to help employees and their family members develop healthier life styles. Further, the purpose of this program is

designed to help prevent the development of personal problems and provide access for treatment and after care for those already affected.

Delphi Automotive Systems and the Union acknowledge that neither management nor the local union working alone can always provide the level of motivation required by employees experiencing personal problems. As a result, joint efforts are imperative in encouraging the employee to seek treatment, as needed, to respond successfully to treatment, and to maintain a resolve to avoid further personal problems.

II. Guidelines for Administration

Delphi Automotive Systems and the Union will engage in a cooperative effort and function administratively in consultation with an EAP Committee comprised of management and local union personnel which will review the efforts of the local EAP Team on a regular basis. In this regard it is important to:

1. Generate a climate at the plant level which will eliminate the effects of the social stigma associated with mental disorders, alcoholism and drug dependency, and other personal problems which act as a barrier to employees seeking help to resolve personal problems.

2. Insist that management and the local union at all levels exercise their best efforts toward the objective of earlier identification and motivation of the employee to accept EAP services.

3. Assure confidentiality in working with the employee.

4. Assist in developing educational and informational materials for use at the plant level.

III. Local Employee Assistance Program Administration

The local EAP Committee consists of the Plant Manager or a designated representative, the Plant Personnel Director, the President of the Local Union and the Chairman of the Shop Committee. It will be the responsibility of this Committee to review on a periodic basis the local Employee Assistance Program.

Delphi Automotive Systems and the Union will designate representatives of management and representatives of the local union to work jointly on these problems. Among the responsibilities of the local EAP Team are:

1. In cooperation with the central review organization (CRO), the carrier and the local central diagnostic referral (CDR) agency, survey community resources to determine the availability of appropriate treatment facilities and cost of treatment. Where facilities are inadequate or unavailable, undertake efforts to improve the situation.

2. Help employees understand that they may consult on a confidential basis with the local EAP Team, or an outside central diagnostic and referral (CDR) agency, concerning their problem.

3. Arrange for union benefits representative to be available to explain to the employee and others who may be involved the extent to which recommended treatment qualifies for payment under Delphi Health Care Program.

4. Establish and maintain active aftercare and followup programs. Help employees understand the therapeutic benefits of self-help groups and engage EAP participants in these group activities.

Delphi Automotive Systems and the Union acknowledge that:

1. Nothing in this statement is to be interpreted as constituting any waiver of Management's responsibility to maintain discipline or the right to invoke disciplinary measures in the case of misconduct which may result from or be associated with the use of alcohol or drugs or personal problems. The union may exercise its right to process grievances concerning such matters in accordance with the Delphi-USWA Agreement.

2. During or following treatment the employee should not expect any special privileges or exemptions from standard personnel practices; and

3. When a leave of absence is necessary so that an employee may undergo medical treatment for alcoholism or drug dependence or personal problems in or from an appropriate facility in accordance with this program, and when the employee has voluntarily submitted to such treatment and provided the employee has unbroken seniority, a sick leave of absence will be granted pursuant to the Main Agreement and the employee will be eligible for benefits in accordance with the Delphi Health Care and Life and Disability Programs as negotiated with the Union.

IV. Additional Understanding

During the course of 1996 Negotiations, the parties held extensive discussions over a wide range of EAP subjects. The following represents the highlights of those discussions and the commitments arrived at between the parties:

1. The parties have agreed that a key ingredient in combatting personal problems lies in education, early identification and early intervention. Accordingly, the National Parties will develop education and training programs directed at all levels of local management, local union, and the work force. Costs of

these activities and the implementation of any recommendations will be funded by Joint Training Funds.

2. The National Parties will recommend standards for USWA-Delphi Employee Assistance Programs.

3. The National Parties have also agreed to continue efforts towards facilitating the professional development of individual plant EAP Representatives. In line with professional development, the parties commit to expand professional development efforts to include mandating certifications of future EAP representatives.

V. EAP Representation

1. The Employee Assistance Representative will be scheduled to report for Employee Assistance representation purposes during overtime, part-time or temporary layoffs, or inventory when 50% or more of the people he/she represents on his/her shift are scheduled to work.

2. During overtime hours, when less than fifty percent (50%) of the people he/she represents on his/her shift are scheduled to work; he/she will not function pursuant to this Memorandum of Understanding, but will be scheduled to perform EAP activities if he/she would otherwise have work available in his/her equalization group.

VI. Drug Testing

Because of the recent emergence of a substantial body of legislation requiring drug testing of many of the Corporation's employees, both represented and non-represented, the parties have had extensive discussions surrounding drug testing and have agreed to the following:

1. All drug testing performed will be conducted in accord with applicable laws mandating or regulating such testing; such as, Federal Aviation Administration, Department of Transportation, or Department of Defense.

**VII. Conditions of Employment Guidelines -
For Those Employees in the Employee
Assistance Program Whose Seniority has
been Broken**

When Employee Assistance Program participants or other employees suspected of being in need of EAP services return to work, the following can be agreed upon between the bargaining unit representative, Labor Relations, the EAP team and the employee.

The specific items to be included will depend on the individual case and should be developed to meet the particular circumstances. Accordingly, items one through five may be recommended for inclusion in a condition of continued employment by the joint EAP team.

1. Participation in in-plant self-help meetings. Length of participation that will be required and frequency of meetings can be either specified in advance or left up to the discretion of the EAP team.

2. Participation in outside self-help groups and mandatory completion of an aftercare plan which might include antabuse recommended by a treatment facility and the EAP team.

3. Mandatory cooperation in follow-up and monitoring for a period of time specified by EAP team members.

4. Periodic scheduled urine screening when it is felt this procedure could be of value in monitoring and encouraging abstinence. In cases of positive find-

ings, the results must be confirmed by a second testing method.

5. A specific period of total non-use of alcohol or other drugs can be agreed to between the parties. The EAP team and the employee must concur with this probationary period which is defined as not less than six months or more than two years and it must be understood by all parties that resumed use could result in termination of employment during this period.

The above items (one through five) will be administered jointly by the EAP team for those employees returning under these conditions. Any conditions of continued employment agreed to by Management, the Union and the employee are considered contractually binding and non-compliance could result in disciplinary action up to and including discharge. The employee's previous disciplinary record and action which may be taken for further misconduct will be matters reserved to the actual settlement of any grievance(s) involved and/or will be resolved between the bargaining unit representative and Labor Relations.

The seniority status of the employee must be specified as either a new hire or reinstatement of former seniority. If seniority is reinstated, all rights and privileges which would normally accrue in line with the reinstated seniority under the terms of the Main or local agreement must be granted.

Local 87, USWA

Delphi Automotive Systems

DRUG SCREENING

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

December 8, 1999

Dear Mr. Bingham,

During current negotiations, the parties discussed at length the worsening drug problem in our country and the rising incidence of chemical dependency. Chemical dependency on the part of employees impacts the workplace in terms of quality, productivity, and effectiveness of operations, while threatening the safety and well-being of both the chemically-dependent employee and his/her co-workers. Accordingly, the parties have agreed to institute the following screening program:

Process

Employees may be screened for substance abuse (alcohol and drugs) in the following instances:

- (1) As a part of return to work physicals for employees returning from substance abuse related sick leaves of absence,
- (2) As required by law, such as F.A.A., D.O.T., and D.O.D.

All testing and reporting will be conducted in accordance with the guidelines established by the Department of Health and Human Services.

Implications

It is not the intent of the testing requirements to imply that an employee is impaired at the time a sample is provided for testing. An individual who tests positive will be handled in the following manner:

1. FIRST POSITIVE: The employee will be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of three months.

2. SECOND POSITIVE: The employee will again be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to again be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of six months.

3. THIRD POSITIVE: The employee will again be deferred from working for approximately two weeks and scheduled for follow-up testing. EAP services are to again be offered to the employee and the employee is to be referred to the CDR. The employee will automatically be subject to further unannounced screening for a period of twelve months.

4. FOURTH POSITIVE: The employee will be discharged regardless of prior disciplinary record or length of service. Grievances protesting irregularities in the testing procedure may be taken through the grievance procedure; however, extent of penalties arguments are not subject to the Umpire's discretion.

All positive test results will be subject to a mutually agreed to third party evaluation upon request of either party. Problems selecting a third party may be referred to the National Parties. Employees who refuse to be tested will be treated as though they had tested positive.

Once terminated; if the employee satisfactorily documents to Local Management and Local Union six months continuous sobriety, within the 60 months fol-

lowing discharge, the employee will qualify for re-employment under Article VII of Document 7 of the Main Agreement.

General

Employees who refuse assessment, treatment, or testing in accordance with this procedure will be treated as though they had tested positive.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**EMPLOYEE ASSISTANCE PROGRAM -
EARLY INTERVENTION**

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Gentlemen:

During the current negotiations, the parties discussed and noted that in many instances the early indicators of an employee suffering from medical and personal problems such as those associated with substance abuse, for example, are manifested in disciplinary situations involving violations of the Shop Rules. In those initial stages it is generally the first line supervisor and the district committeeperson who are first exposed to the potential of such underlying causes behind employee behavioral problems.

Although the parties acknowledge Management's responsibility to maintain discipline and to invoke disciplinary measures where violations of the Shop Rules occur, it is also recognized that local management and union representatives at all levels are necessarily charged with the responsibility to exercise their best efforts toward the objective of early identification of employees whose behavioral problems may be linked to medical and personal causes and to strongly encourage them to seek assistance. In many cases this could be accomplished through referral to the local Employee Assistance Program Committee.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**DELPHI POLICY REGARDING
SEXUAL HARASSMENT**

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

The following is the text of Delphi Automotive Systems written and published policy regarding sexual harassment.

"Delphi Automotive Systems has had for many years a written and widely distributed policy on equal opportunity employment. Sexual harassment, as in the case of harassment based on age, race, color, religion or national origin, has long been regarded as a violation of this policy."

"All employees are expected to deal fairly and honestly with one another to ensure a work environment free of intimidation and harassment. Abuse of the dignity of anyone, through ethnic, racist or sexist slurs or through other derogatory or objectionable conduct, is offensive employee behavior. Sexual harassment also includes unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature."

"All Delphi employees are entitled to a work environment in which words and actions do not have even the appearance of disrespect. Sexually-oriented jokes, cartoons, pictures, language, certain gestures and touching may be offensive to people and, therefore, may result in a hostile work environment. This type of conduct will not be tolerated in the workplace. Delphi

Automotive Systems facilities must be free of hostility resulting from sexually-oriented behavior. It is the responsibility of management and each employee to maintain an environment free of hostility."

"As in the case of other unfair employment practices, if you believe you have been subjected to sexual harassment, you may bring your concerns to the attention of either your immediate supervisor, personnel director or representative, or you may utilize appropriate and existing internal complaint procedures."

Delphi Automotive Systems and the USWA are in agreement that complaints of sexual harassment should be dealt with promptly and fairly under existing internal procedures as provided under Paragraph (4a) of the Main Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

INTERPRETATION OF WORKING HOURS SECTION

(Special Protracted Work Period Case)

During negotiations, the Union cited a situation in which an employee worked for a continuous period of more than twenty-four (24) consecutive hours where the hours worked in excess of twenty-four (24) were paid for at straight time.

The Company advised the Union that in such a case, those continuous hours worked in excess of twenty-four (24) will be paid for at the rate of time and one-half unless such hours would otherwise be paid for at a higher premium pursuant to the provisions of the Working Hours Section of the Agreement. Any such time worked and paid at time and one-half instead of straight time, will be considered as having been paid at straight time for purposes of computing daily overtime within the 24-hour cycle in which such time worked occurs.

MEMORANDUM OF AGREEMENT VOLUNTARY POLITICAL CONTRIBUTIONS

On this 8th day of December, 1999 it is agreed between Delphi Automotive Systems (Corporation) and the International Union, USWA (Union) that the following understandings have been reached in connection with the Union's request to make deductions for voluntary political contributions from the paychecks of Corporation employees represented by the Union.

1. The designated Financial Officer of the Local Union will furnish to Local Management for each employee for whom a deduction is to be made an Authorization Card signed by the employee containing the following information:

- (a) Name and Address
- (b) Department Number
- (c) Social Security Number
- (d) Amount to be deducted each period

Cards that cannot be processed will be returned to the designated Financial Officer of the Local Union for correction.

2. The Local Union may also elect to have Authorization Cards included in employee's packets to be distributed during Joint Orientation Programs for New Hires and Transferees.

3. Within 90 days following written notification from the Local Union, subject to Paragraph 6 below, the Corporation will make such authorized deductions from checks for the first pay period ending in each deduction period, and continuing while such authorization is in effect for so long as the Corporation has an obligation to provide such procedure under the Federal Election Campaign Act. Where no regular payroll check is prepared for the first pay period in the month, the Corporation will make such

authorized deductions from the check for the second, third, fourth or, if applicable the fifth pay period ending in that deduction period. In any case, deductions will be made from any checks prepared for the employee through regular payroll processing, but will not be made from checks prepared through special payroll processing.

4. A deduction not made in one period will not be carried forward to a subsequent month.

5. Each deduction period Local Management will issue a single check payable to the Union for deductions made in the preceding period. Deductions from checks issued subsequent to the first pay period in a deduction period will be remitted to the Union in the following month's remittance. Overpayment to the Union resulting from cancelled employee authorizations will be recovered in a subsequent period.

6. A computer-generated, machine readable where possible, listing also will be forwarded which will indicate the name, address, department number, full social security number, and the amount deducted for each employee that pay period. Year-to-date deduction totals for each employee will also be included in the report.

7. The Union will pay the Corporation the actual costs of initial setup and programming, of general administration, computer and machine time, and of processing new authorization changes or cancellations. Provided however, the Union and Corporation must agree on these costs prior to the implementation or changes in this program.

8. The Corporation will bill the Union for the amounts owed pursuant to Paragraph (7) above, which bill shall be paid in the month following the month in which billed.

9. The amounts set forth in Paragraph 7 above may be increased or decreased by the Corporation from time to time as experience dictates, upon notice to the Union.

10. Employees who wish to cancel their authorization for payroll deductions will sign a card supplied by the Union for that purpose. Refunds will be the responsibility of the Union.

11. The designated Financial Officer of the Local Union will collect and forward as one transmittal all signed Authorization Cards and Cancellation Cards for the initial processing and for each period to Local Management.

12. An Authorization Card that is not revoked by the employee shall continue in effect upon reinstatement to active status provided the employee's record is still being maintained by the employing unit's Payroll Department.

13. The Union will indemnify and hold harmless the Corporation from any and all liability or claims arising from administrative error resulting from the deductions provided for in this Agreement.

International Union	<u>Delphi Automotive Systems</u>
USWA Local 87	<u>Delphi Energy and</u>
	<u>Chassis Systems</u>

MEMORANDUM OF UNDERSTANDING

On this 8th day of December, 1999, it is agreed between Delphi Automotive Systems and the International Union, U.S.W.A., that in accordance with the Memorandum of Agreement on deductions for Voluntary Political Contributions, dated December 8, 1999 and specifically Subsection 6 of that Agreement, the Union will pay the Corporation each six (6) months, on July 31 and January 31, for the term of the 1999 Delphi-USWA Main Agreement the following:

A fee of \$0.075 per participant each six (6) months calculated on the number of participants as of June for the July billing and December for the January billing.

International Union Delphi Automotive Systems
USWA Local 87

UNION RACKS - OFFICIAL PUBLICATIONS

Effective April 1, 1980, Management will provide suitable racks at the appropriate plant exits for use in distributing literature to employees who are leaving the plant. Their use will be limited to display of official publications of the Local Union and International Union as certified to Management by the President of the Local Union, the Chairman of the Shop Committee or International Representative prior to the placement of such material in the racks by the Union.

These racks will be placed convenient to the exits used during the time major groups of employees are exiting the plant premises at shift quitting times.

It is understood the Union will discourage any littering growing out of the use of these racks.

ORIENTATION PROGRAM

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFLCIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

SUBJECT: Orientation Program

Dear Mr. Bingham:

Men and women enter the work force today with little or no knowledge of what is expected of them as employees and as union members in a unionized, industrial plant community. Many of them have not been adequately prepared to cope with industrial situations in which they suddenly find themselves.

New employees come to Delphi Automotive Systems with little or at best incomplete information about their employer and their union. They have little knowledge of the extensive economic benefits available to them as agreed upon in collective bargaining between the USWA and Delphi Energy and Chassis Systems over a period of years.

Many new employees may be unaware of the commitment of Delphi and the USWA to fair employment practices and to the application of the Agreement to all employees without regard to race, color, religion, age, sex, national origin, disability or sexual orientation. They are not familiar with basic contract provisions covering such subjects as transfers, promotions, shift preference and seniority. They may be unaware of the opportunities for advancement to highly paid skilled trades jobs through the Apprentice Program. They tend to be unfamiliar with the obligations of the employee to his/her job, to the union and to his/her

employer. Many are unaware of the importance of regular attendance, quality workmanship and the need for cooperation by all in getting the job done. Too often they are unacquainted with the various procedural matters related to their job and their relationship to their union and their employer.

New employees usually have little knowledge of the long history of the USWA and the administrative structure of the USWA. They do not understand about their relationship to the union, about the initiation fees and dues requirements and their rights within the union.

Frequently, they have never seen the inside of a manufacturing plant before and are unfamiliar with the operations, the nature of the product and how it is used.

A properly developed and conducted orientation procedure designed to create an "awareness of the dynamics of the labor-management relationship, and the years long effort to build a community of interest in resolving labor-management problems through orderly procedures...." might serve the best interest of the employees, the USWA and Delphi Energy and Chassis Systems.

Accordingly, Delphi Energy and Chassis Systems will, in cooperation with the Union, undertake development of a joint pilot orientation program to be presented to new job applicants prior to the time they start their jobs.

The content of the orientation program will be developed by Delphi Energy and Chassis Systems and the Union and implemented on a pilot basis. This experience could form the basis for the adoption and implementation of an on-going program.

Delphi Energy and Chassis Systems and the Union will determine how the various portions of the orien-

tation program would be implemented. Some subjects might most appropriately be presented by a Management representative, some by a Union representative, and others by both Management and Union representatives.

The orientation program would not be subject to the grievance procedure and could be terminated by either the Union or the Company in the event that the program was not being carried on in a manner consistent with the purpose and intent of the program as established by the parties. The joint orientation program would be limited to those subjects agreed to by the Company and the Union and the establishment of such a program would not limit any other communication by Management with its employees or by the Union with its members.

The Company and the Union will commence development of an orientation program following current Negotiations.

Very truly yours,

Bernard J. Quick

Director Labor Relations

REVIEW PERSONNEL RECORDS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

The right of employees to inspect their own personnel files was afforded employees in Michigan in accordance with the 1978 Michigan Employee Right to Know Act.

This will confirm that the right to review individual personnel records, established by the above-mentioned Michigan law, will be extended as a matter of policy to Delphi Automotive Systems employees:

Very truly yours,

Bernard J. Quick
Director Labor Relations

**DELPHI EQUAL OPPORTUNITY
EMPLOYMENT POLICY**

December 8, 1999

Local Union 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Gentlemen:

The following is the text of the written and published policy of Delphi Automotive Systems concerning equal opportunity in employment:

"Operating as it does on a nationwide basis, Delphi Automotive Systems offers employment opportunities to many people in many different locations throughout the United States.

"The policy of the Corporation is to extend these opportunities to qualified applicants and employees on an equal basis regardless of an individual's age, race, color, sex, religion, national origin, disability or sexual orientation.

"Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation Equal Opportunity Employment Policy."

Very truly yours,

Bernard J. Quick
Director Labor Relations

(Orig. issued 11-23-70)

**DELPHI POLICY REGARDING EMPLOYMENT
OF INDIVIDUALS WITH DISABILITIES**

December 8, 1999

Local Union 87, URW
21 Abbey Avenue
Dayton, Ohio 45417

Gentlemen:

The following is the text of the written and published policy of Delphi Automotive Systems regarding employment of individuals with disabilities:

"The policy of the Corporation is to make reasonable accommodation to the limitations of qualified individuals with disabilities and to extend employment opportunities to such persons taking into account the needs of the business and financial cost and expenses.

"Hiring and employment practices and procedures implementing this policy are the responsibility of the employing units. However, these practices, procedures and decisions are to be, at all times, in conformity with the Corporation policy regarding employment of individuals with disabilities."

Consistent with the foregoing policy, the requirements of Section 503 of the Rehabilitation Act of 1973 and the Americans with Disability Act and the rules and regulations promulgated thereunder, Delphi Automotive Systems represents that it will affirmatively act to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based upon their physical or mental disability in all employment practices.

Very truly yours,

Bernard J. Quick
Director Labor Relations

PLANT EQUAL APPLICATION COMMITTEE

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the course of current negotiations, Delphi Automotive Systems and Local 87, USWA reaffirmed the matter of the Company's letter of December 10, 1973, regarding the Plant Equal Application Committee. In line with that letter, the Parties have agreed to the following:

For many years the Company and your Union, in their respective fields, have been leaders in adopting and effectuating policies against discrimination because of race, color, religion, age, sex, national origin, disability or sexual orientation and sexual harassment and to this end the parties have expressly incorporated Paragraph (4a) in the Agreement that both insures adherence to that principle in all aspects of employment at Delphi Automotive Systems and provides the contractual grievance and arbitration procedure for the resolution of alleged violations of that principle.

The parties recognize the desirability of increased communication and cooperative effort on this subject (1) to encourage employees and grievance representatives to use the grievance and arbitration procedure as the exclusive contractual method for prompt resolution of all claims of violation of Paragraph (4a), (2) to determine the cause of such claims in order to reduce the probability of these claims arising or recurring, and (3) to maintain liaison with appropriate federal and state civil rights agencies for the following pur-

poses: (a) to increase understanding, (b) to promote and encourage the use of the grievance and arbitration procedure in order to avoid multiplicity of litigation in many forms simultaneously which is frequently time consuming, contradictory and hence, non-productive to relieving employee problems, (c) to seek solutions to mutual problems, (d) to relieve tensions in this area, and (e) to exchange information, expertise and advice.

Accordingly, the parties agree to establish, within thirty (30) days of the effective date of the Agreement, a Plant Equal Application Committee.

The Plant Equal Application Committee will be composed of three (3) representatives of the Union, and two (2) representatives of the Company. The three representatives of the Local Union shall consist of the Chairperson of the Shop Committee, the Chairperson of the Civil Rights Committee of the Union and the Local Union President or Vice President.

The two (2) representatives of Management shall be the Plant Manager, or a designated representative, and a member of Management at the plant active in the Company's equal employment opportunity program. The Plant Equal Application Committee will meet on a scheduled quarterly basis, and shall have the following duties:

a. Recommend ways and means of promoting use of the grievance procedure as the exclusive contractual method for resolving claims of violations of Paragraph (4a).

b. Suggest guidelines for Union and Company representatives active in the grievance procedure in the proper and prompt handling of grievance alleging such claims.

c. Maintain liaison with appropriate federal and state agencies for purposes set forth in the second paragraph of this letter.

d. Review and discuss ways and means of implementing Delphi Automotive Systems policy regarding employment of individuals with disabilities set forth in the letter from Bernard J. Quick to Local Union 87 setting forth this policy.

e. Recommend means for determining the cause of equal employment opportunity and discrimination problems and tensions in the plant.

When the Chairperson of the Civil Rights Committee of the Local Union is an employee of the plant wages will be paid for time spent attending the quarterly meetings.

Copies of the minutes from these meetings will be made available to the Union.

In addition, the Chairperson will be permitted to leave work up to four (4) hours per week during straight time hours to conduct in-plant investigations of written grievances alleging a violation of Paragraph (4a) of the Agreement.

The parties continue to recognize their legal and moral responsibility for assuring that all Delphi Automotive Systems employees have equal employment opportunities and freedom from discrimination as set forth in Paragraph (4a) of the Agreement. Consequently, the function of the Plant Equal Application Committee shall be advisory, consultative and cooperative. While the Company and the Union will welcome the recommendations the Committee may make, the Committee may not commit either party to a specific course of action. However, the Union agrees that

it will encourage its members to utilize the grievance and arbitration procedure as the means of resolving claims or complaints against the Company which allege a violation of Paragraph (4a).

Very truly yours,

Bernard J. Quick
Director Labor Relations

**PARAGRAPH (55) AND PARAGRAPH (62g)
STATE LABOR PROTECTIVE LAWS**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45427

Dear Mr. Bingham:

This is to confirm our mutual understanding reached during current negotiations with respect to the application of Paragraph (55) and Paragraph (62g) of the Agreement.

When a promotion is contemplated pursuant to Paragraph (55) and Paragraph (62g) of the Agreement and there are female employees in the group for consideration for the promotion who, prior to May, 1970, could not obtain experience in the classification to which the promotion is contemplated by reason of the Company's interpretation of state protective laws, such lack of experience will not be considered in evaluating the relative ability, merit, and capacity of such females in comparison with other employees in the group provided such female employees are otherwise capable of performing the job. It is further understood individual seniority rights will not be breached as a result of application of the above.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**NOTICE TO LAID OFF EMPLOYEES
OF ANTICIPATED RECALL**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During current negotiations, the parties discussed at length the problems involved in recalling large masses of employees back to work from layoff in situations such as the addition of a shift at a plant. Both parties recognized the mutual interest that would be served by management notifying laid off seniority employees in advance of such known mass recalls to facilitate the orderly recall when it in fact occurs.

Accordingly, when mass recalls are anticipated sufficiently in advance, management and the local union should discuss the matter of a pre-recall notification to employees in an attempt to arrive at a mutually satisfactory method to implement the notice.

It is mutually recognized that such notice or lack of notice will be without prejudice to either party in the application of any terms of the Agreement or any local agreements. Moreover, any agreement reached with respect to advanced notice of anticipated recall will not be cited or relied upon by an employee or the Union or the management as a basis for a claim for or denial of back pay.

Sincerely,

Bernard J. Quick
Director Labor Relations

**EXPEDITIOUS GRIEVANCE HANDLING -
COMPANY TO UNION (19a) & (19b)**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the course of current negotiations, the Company and the Union agreed that the letter regarding expeditious grievance handling would again be published. The text of that letter is as follows:

"During 1967 negotiations for a new Collective Bargaining Agreement, Company representatives and the Local Union 87 USWA Negotiating Committee discussed at length problems encountered with the administration of the Grievance Procedure. The parties reaffirmed their mutual determination that the purpose of the Agreement as stated in Paragraph (1) is to provide orderly collective bargaining relations between the Company and the Union, to secure prompt and fair disposition of grievances... It was recognized that the filing of duplicate grievances or grievances which have no merit interfered with the efficient operation of the Company's business. In addition, the Union and the Company agreed that this type activity and delays occasioned thereby and the holding of grievances at any step of the Grievance Procedure is contrary to the best interests of the employees and the parties.

"The parties affirmed their mutual desire and intention to assure that the Grievance Procedure will not be misused.

"The Company asserted that the provisions of the Grievance Procedure provide for a definite time limit

within which grievances must be appealed, otherwise they are not subject to further appeal. At certain steps of the Grievance Procedure, it is possible by mutual agreement to extend these appeal time limits."

Because of the unprecedented volume of grievances filed during the term of the October 5, 1964 Agreement, time extension for appeal of grievances has been invoked in literally hundreds of cases, delaying the processing of grievances, a number of which had merit, in the Procedure. The Company stated further that it is imperative that both parties work to eliminate grievances which neither serve the interest of the employees or the parties and that the parties, except in special situations, assume their respective responsibilities for appealing grievances within the time limits stipulated in the Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

(Orig. Issued 1-2-68)

December 8, 1999

Bernard J. Quick
Director Labor Relations
Delphi Automotive Systems (19a) & (19b)
5725 Delphi Drive
Troy, MI 48098

During the 1967 negotiations for a new Collective Bargaining Agreement, Delphi Energy and Chassis Systems complained that in certain locations in the plants some committeepersons made little or no effort to resolve grievances at Step One of the Grievance Procedure. Further, it was the Company's complaint that grievances had been filed in unprecedented numbers again in certain locations and investigation revealed the high volume resulted from duplicate grievances and grievances which did not appear to reflect a bonafide complaint of an employee or group of employees.

The Local Union advised the Company that it fully subscribes to the principles set forth in the new provisions of Paragraphs (19a) and (19b) of the new Collective Bargaining Agreement which, in part, reads: "... the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the management."

Grievances should not be unduly delayed at any Step of the Procedure, whether such delay is occasioned by a committeeperson or a supervisor refusing or failing to meet his/her responsibility.

Respectfully,

Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC

POLICY GRIEVANCES

Interpretation of Paragraph (22)

December 8, 1999

All Members of Supervision
with Employees in Local 87
Bargaining Unit

The Company agrees a grievance stated to an Advisor by a committeeperson (this includes an alternate committeeperson if he/she is functioning under Paragraph (10) of the Agreement while the district committeeperson is absent from work) not in connection with his/her own work is proper in the Grievance Procedure if the complaint involves the interpretation, and/or the application of a specified provision of the current Agreement and/or of a written Supplemental Agreement thereto.

In the event such verbal "policy" grievance is not adjusted at that point, the "policy" grievance may be reduced to writing, signed, and presented by the committeeperson to his/her supervisor, who will, within two (2) days, arrange a meeting with the committeeperson and the supervisor who will give the answer to the grievance. If not satisfactorily settled, it may be appealed in line with Step Three of the Grievance Procedure. The parties agree a "policy" grievance is improper when a purely individual interest is involved such as; for example, in a case of discipline, a dispute regarding the standards of production established or changed by Management and similar type subjects.

If you have any questions concerning this matter, please contact Labor Relations.

Bernard J. Quick
Director Labor Relations

**MODIFICATION TO
PARAGRAPHS (52) AND (62d)(8)**

December 8, 1999

Mr. Dennis Bingham
President Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45401

Dear Mr. Bingham:

During the current negotiations, the parties discussed the problem of "seniority slippage" under Paragraphs (52) and (62d)(8) which inhibits bargaining unit employees from accepting assignments to fill non-bargaining unit positions. It was recognized that in many instances, it would be of mutual benefit to the parties for these employees to function in such positions.

Accordingly, this letter serves to confirm the agreement reached between the parties that:

1. The transfer of any employee from a job classification in the bargaining unit to a job classification not included in the bargaining unit will result in the recall of a seniority employee from layoff status, if available, consistent with the provisions of JOBS Programs, and/or;

2. The transfer of an employee from a job classification not included in the bargaining unit back to a classification included in the bargaining unit does not result in the layoff of a seniority employee; Paragraphs (52) and (62d)(8) of the Main Agreement will be modified in the following manner:

Paragraph (52)

(52) Any employee who has been transferred from a job classification not included in the bargaining unit to a job classification in the bargaining unit shall be credited with the seniority he/she had established prior to March 1, 1977, all time worked in the bargaining unit subsequent to March 1, 1977, and all time worked in a job classification not included in the bargaining unit subsequent to the effective date of this agreement, provided:

(52a) They previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(52b) Their employment with the Company has remained unbroken.

Such employee may be placed on the job to which his/her seniority would entitle him/her under the local seniority agreement, beginning with the last previous job he/she held in the bargaining unit; provided however, that if such last previously held job is no longer in existence, he/she may be placed in accordance with Paragraph (60). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

Paragraph (62d)(8)

(8) Any employee who has been transferred from a job classification not included in the bargaining unit to a job classification in the bargaining unit shall be credited with the seniority he/she had established prior to March 1, 1977 all time worked in the bargaining unit subsequent to March 1, 1977, and all time worked in a job classification not included in the bargaining unit subsequent to the effective date of the 1984 agreement, provided:

(a) They previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(b) Their employment with the Company has remained unbroken. Within a week, the Union shall be furnished the name(s) and department number(s) of the employee who, during the preceding week, transferred into the bargaining unit in accordance with this paragraph. A job placement contrary to this paragraph will be so indicated.

Such employee may be placed on the job to which his/her seniority would entitle him/her under the local seniority agreement, beginning with the last previous job he/she held in the bargaining unit; provided however, that if such last previously held job is no longer in existence, he/she may be placed in accordance with Paragraph (62o). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

In order to assure accurate and timely administration of the conditions stated above in Paragraphs (52) and (62d)(8) of the current Main Agreement, the following procedures will be instituted:

1. When any employee is transferred from a classification included in the bargaining unit to a job classification not included in the bargaining unit, the Chairperson of the Shop Committee will be given a letter specifying the employee's name and the name of the seniority employee who is recalled from lay-off status.

2. When such employee, specified above, is returned to a job classification in the bargaining unit, the Chairperson of the Shop Committee will be given a letter, notifying him/her of such transfer back into the bargaining unit.

Any complaints regarding the administration of this procedure may be raised by the Chairperson of the Shop Committee with the Plant Personnel Director.

Very truly yours,

Bernard J. Quick
Director Labor Relations

EMPLOYEE TRANSFER OR RE-ASSIGNMENT

Date: December 8, 1999

Subject: Transfer or Re-Assignment of Employees

To: All Members of Supervision Having Employees
in Local 87 Bargaining Unit

During the current negotiations, the parties discussed the claim raised by the Union regarding employees being transferred or re-assigned to "less desirable" jobs because they initiated complaints regarding production standards or discipline. In addition, in the case of probationary employees, the Union stated that some were separated because they initiated production standards complaints.

It is important for Delphi Automotive Systems to retain its right to transfer employees in order to maintain and improve efficiency in our operations. It is also important to respect the right of employees to file legitimate grievances regarding production standards or disciplinary action.

The Union has been advised that we do not consider it proper to transfer, re-assign or separate employees because they file such grievances.

It is expected that this position will be given your full support.

Bernard J. Quick
Director Labor Relations

PERSONNEL PRACTICES

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations the subject of personnel practices with different application to hourly and salaried employees was again discussed as an area giving rise to the appearance of a "double standard" of treatment. To this end, it was agreed to publish the text of the October 8, 1987 A. S. Warren, Jr. letter on the subject of such personnel practices:

"During these negotiations, the Union expressed concern regarding certain plant personnel practices that have different application to salaried and hourly employees. It was stated that such practices may adversely impact employee attitudes thereby affecting union-management efforts to improve local operations and the work environment.

"The Corporation responded by describing the many innovative and varied approaches taken by local parties in an increasing number of plant locations to address these issues.

"Accordingly, it was agreed that such matters are more appropriate for discussion by the local parties as part of their continuing efforts to establish a work environment and relationship characterized by mutual respect and trust."

Very truly yours,

Bernard J. Quick
Director Labor Relations

HELPER TRAINING

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the parties reviewed the matter of related training provided for Helpers.

It was agreed that Local Management and the Local Union should review the related training courses provided in accordance with Paragraph (62w)(1) from time to time. The review should include the relevance to the trade, level of difficulty and appropriateness for Helpers.

The local parties may request assistance if required, from the Delphi Automotive Systems Labor Relations Staff. Disputes that cannot be resolved locally may be referred to the Delphi Automotive Systems Labor Relations Staff.

Very truly yours,

Bernard J. Quick
Director Labor Relations

METRIC CONVERSION

December 8, 1999

Mr. Dennis Gingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton Ohio 45417

Dear Mr. Bingham:

During the current negotiations the parties discussed the subject of conversion to the metric system and its effect on certain employee owned tools.

During these discussions the Company indicated its intention to make available during the transition period necessary metric tools and calibrated measuring instruments to skilled trades employees when required in the performance of their work. Such tools will be available in the tool cribs and charged out to skilled trades employees when they have need for them.

This policy does not preclude the use of conversion tables or any other alternate means of changing to the metric system in place of utilizing such tools or calibrated measuring instruments, nor does it alter the present requirements that skilled trades employees provide their own tools necessary to perform their duties, except as provided in the second paragraph hereof.

Very truly yours,

Bernard J. Quick
Director Labor Relations

PRE-APPRENTICESHIP TRAINING

December 8, 1999

Local Union 87, USWA
21 Abbey Avenue
Dayton, Ohio 45417

Gentlemen:

During negotiations leading to the current Agreement, the parties discussed pre-apprentice training as one method of achieving our common goal of bringing a greater number of members of minority groups and females into the apprentice training program. It is evident that we share a serious concern about the establishment of effective methods of achieving this desirable goal.

Accordingly, the Skilled Trades and Apprentice Committee upon determining that a plant's skilled trades workforce is under-represented by minority groups and females, will consider matters pertaining to pre-apprentice training as it relates to achieving the above objective as well as approve any such training program for which points can be awarded under the Apprentice Selection Procedure.

Very truly yours,

Bernard J. Quick
Director Labor Relations

APPRENTICES WORKING ALONE

Inter Organization

Date: December 8, 1999

Subject: Apprentice Work Assignments

To: Manager, Skilled Trades

During the current negotiations, the Union raised the question of apprentices being assigned to work alone. The parties agreed that good judgment and a rule of reason should be used when making these assignments,

As a result of these discussions it was concluded that, consistent with existing training methods and facilities in the plant, apprentices should not be assigned to perform work without a journeyman/woman being present unless the apprentice has been trained to do the job; has been instructed in the proper safety procedures; and is considered competent to perform the assignment. Experienced journeymen/women will generally be available to assist the apprentice in many of his/her normal floor assignments until that level of competence has been reached. This will not change or restrict any mutually satisfactory local practices. Problems in this regard are a matter for review by the Skilled Trades and Apprentice Committee.

Delphi Automotive Systems

RELATED TRAINING BONUS
DELPHI AUTOMOTIVE SYSTEMS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This will confirm the understanding reached during the current negotiations that within a reasonable period after a laid off apprentice has been recalled to work, such employee will be paid an incentive bonus in recognition of satisfactory completion of any related training courses, required pursuant to Paragraphs (62r)(8)(e) and (62r)(8)(g), in which the employee was enrolled at the time of layoff.

In addition, with prior Management approval and arrangements with the school, apprentices whom Management anticipates recalling to the apprentice classification prior to the expiration of the school term may be enrolled for one term and become eligible for an incentive bonus on the same basis.

This incentive bonus will amount to a figure to be arrived at by multiplying the number of class hours in each course times the employee's straight-time hourly rate less the amount, if any, paid to the employee for such related training prior to layoff.

Very truly yours,

Bernard J. Quick
Director Labor Relations

HELPER OPENING TESTING

Inter Organization

Date: December 8, 1999

Subject: Testing for Helper Openings

To: Management Apprentice Committee Members

During the current negotiations the parties discussed the many tests which have been used in the selection of employees applying for jobs as Helpers. As a consequence of these discussions there is now mutual recognition that certain types of tests which have been used in the past may be of little aid in the proper selection of employees for Helper openings. On the other hand, there is also recognition that where tests have been used, appropriate aptitude and mechanical comprehension tests have been helpful in the selection of Helpers.

Examples of the latter tests are the Bennett Mechanical Comprehension Test (to measure understanding of and ability to learn physical principles) and the Minnesota Paper Form Board tests (to measure ability to perceive spatial relations).

As an outgrowth of these discussions, the Company has decided that reasonable standardization in the use of tests for Helper applications where tests are used for this purpose, is desirable. Accordingly, a program will be undertaken by the Company to accomplish this result and to assure that the tests being used are of the type referred to hereinbefore.

It is not the Company's intent in inaugurating this program to expand or to limit the use of tests in the selection of applicants for Helper openings. If Management decides to use tests in the selection of Helpers, the tests to be used and the reasons why they are

to be used will be reviewed in advance with the Chairmanperson of the Shop Committee or his/her authorized representative and/or the Committee persons whose districts or areas include skilled trades employees.

Bernard J. Quick
Director Labor Relations

**ADMINISTRATION OF
PARAGRAPH (62x)(2)**

Date: December 8, 1999

Subject: Administration of Paragraph (62x)(2)

To: Mr. Dennis Bingham, President
Local 87, USWA, AFL-CIO/CLC
Dayton, Ohio 45417

During the current negotiations the Union discussed the appropriate administration of Paragraph (62x)(2) by the Company.

These concerns centered around the hiring of skilled trades employees as journeymen/women without sufficient checking by Management of the documents presented by the applicants to assure they qualify for such status in accordance with the provisions of Paragraph (62x)(2). They also discussed that in some instances Management shifted the blame to the Union when such an employee had to be released because, upon further investigation, the information upon which Management relied to hire the individual did not meet the criteria of Paragraph (62x)(2).

In response to these concerns the Company stated that when proof of journeyman/woman status is not clearly established such documentation will be furnished to the Chairperson of the Shop Committee and the matter will be thoroughly investigated before an employee is hired. Additionally, the Company assured the Union that any explanation concerning the reasons a newly hired journeyman/woman employee must be terminated because of failure to meet the requirements of Paragraph (62x)(2) is to be based on those factual reason and not on the fact that the Union may have questioned the matter.

The parties mutually agreed that both the Company and the Union must exercise fair but sound judgment when considering matters relative to Paragraph (62x)(2).

Very truly yours,

Bernard J. Quick
Director Labor Relations

**SUBCONTRACTING - IMPLEMENTATION
PARAGRAPH (62y)(4)**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current Negotiations, the Union complained that procedures set forth in Paragraph (62y)(4) are not being satisfactorily implemented by Management in many instances.

This letter is intended to clarify the intent and purpose of this provision:

1. The "advance discussion", except where time and circumstances prevent it, will take place "Prior to letting the contract for the performance of maintenance and construction work", before any decision has been made as to whether the work should be contracted out. The "advance discussion" will include information as to "why Management is contemplating contracting out the work". It is evident that except as noted above, since Management is only "contemplating contracting out the work" when the "advance discussion" takes place, Management should not have made any decisions concerning whether or not to contract out the work before such "advance discussion" is held.
2. Management should advise the Local Union of the "nature, scope and approximate dates of the work to be performed and the reason or reasons (equipment, manpower, etc.) why Management

is contemplating contracting out the work." This information is related to the letter originally issued January 15, 1968, and contained in the Main Agreement as Appendix "J". That letter makes reference to "manpower skills, equipment and facilities" and also as to whether the Corporation "can do the work competitively in quality, cost and performance and within the projected time limits." Since any or all of these conditions may be entailed in the determination as to whether a particular contract should be let out or not, it is necessary that Management advise the Local Union in the "advance discussion" concerning the item or items which are relevant to the decision making.

3. If in the "advance discussion" it is clear that Management is only "contemplating contracting out the work", and if in addition all the pertinent information as noted above is supplied to the Local Union, then Local Union representatives will be given a better opportunity "to comment on Management's plans" and will also give an opportunity to Management "to give appropriate weight to those comments in the light of all attendant circumstances."
4. In addition the Union commented that in certain instances plant Management requested and contracted for maintenance service on leased equipment, and extended warranty arrangements or service contracts were being purchased which impacted the job security of seniority employees in skilled trades classifications. Management stated that, while Paragraph (62y)(2) covers the "fulfillment of normal warranty obligations by the vendor", warranty arrangements that extend beyond those customarily provided or the obtaining of service contracts are not covered by these provisions. Rather, such arrangements or

service contracts covering work normally and historically performed by represented skilled trades employees are to be considered in the same manner as contracts for the performance of maintenance work and such decisions are covered by the provisions of Paragraph (62y)(3) of the Main Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

SUBCONTRACTING COMMUNICATIONS

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC 21
Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the recent negotiations there were discussions concerning subcontracting which resulted from inadequate communication about such matters. As a result of these talks, the following commitments have been reaffirmed with Delphi Energy and Chassis Systems management.

During the current agreement the Union claimed labor relations problems in the plants concerning subcontracting matters had been experienced.

In many of these instances, the root cause of the problem was the lack of communication. The Delphi-USWA Main Agreement currently requires timely meetings in advance of the decision to subcontract work normally and historically performed by Delphi Automotive Systems skilled trades employees.

There have been instances cited when plant level meetings with local Union representatives relative to routine maintenance contracting are often held after the contract has been let and insufficient useful information is provided to the Union for them to consider and make appropriate comments relative to Management's plans.

The Corporation intends to achieve world-wide competitive status utilizing not only the skills of our employees; but also the suggestions and ideas of the

people and the unions as to how work can best be accomplished at the lowest possible cost with the highest possible quality and on time.

This approach to managing the business should be utilized throughout the Corporation at all levels; production, skilled and technical. Obviously, such discussions should be held in a timely manner with appropriate Management and Union personnel.

Accordingly, an appropriate representative of Management in each personnel department should be responsible for having adequate information about each sub-contract for the performance of skilled trades work covered by the subcontracting provisions of the agreement. After determining that required discussions have been held, this representative should approve the contract prior to its being let to an outside firm. This will require complete understanding and cooperation of your contractual requirements by the plant's engineering and purchasing personnel.

Plant relationships can only be improved by open, frank communications in all areas, particularly in carrying out our subcontracting responsibilities.

Mr. Battenberg and the Delphi Strategy Board are in complete agreement that extraordinary attention must be given to our managerial responsibilities in this area. I have been assured by the leadership of USWA Local 87 that we will have their full assistance in bringing about improved plant relationships when we have installed full advance communications relative to business decisions involving subcontracting.

Furthermore, with regard to tool, die and represented engineering work, including prototype and pre-prototype work, other Delphi Automotive Systems locations have implemented a process of notification, review, and competitive analysis which has enabled the parties to consider and serve the interest of skilled

tradesmen/women in job security, as well as Management's needs for competitive and timely performance of this kind of work. Therefore, the Corporation and the Union are in agrément that they will encourage local Management to implement this approach in order to avoid conflicts over the subcontracting of such work.

Very truly yours,

Bernard J. Quick
Director Labor Relations

SUB-CONTRACTING - NORMAL WARRANTY

December 8, 1999

Mr. Dennis Bingham
President Local 87,
USWA, AFL-CIO/CLC 21
Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the Union complained there has been inconsistent administration of the "normal warranty" provisions of Paragraph (62y)(2) of the Main Agreement. The Union indicated that plant management insist on warranties beyond normal periods of time and that our skilled employees are not assigned to the new equipment or machinery until long after it has been in the plant. This does not provide the opportunity for our own skilled trades to learn how to keep such equipment operating effectively.

The Corporation informed the Union that good business practice includes the use of warranty arrangements sufficient to assure that the equipment purchased by the Corporation performs according to specifications required by the purchase contract.

The Corporation agreed to remind the Divisions that the training and expertise that will be required of our own skilled trades must also be kept in mind as an important business consideration. The transition from vendor to our employees and the training and timing of the transition are important parts of that consideration.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**BEREAVEMENT/ADVANCED
VACATION PAY**

December 8, 1999

Mr. Dennis Bingham
President Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the parties discussed the possibility of a death of an immediate family member as defined in Paragraph (126a)(1) of the Delphi-USWA Main Agreement occurring during a time in which an employee is on vacation.

This confirms our understanding that if such circumstances occur where the employee has satisfied the requirements of Paragraph (126a)(1) and makes a timely application for bereavement pay, the employee will be entitled to three additional days of vacation time off during his/her vacation eligibility year.

If an employee does not use these days by his/her next vacation eligibility date, he/she shall be compensated for these days at a rate of pay established in accordance with Paragraph (119h) of the Delphi-USWA-Main Agreement. Recovery of overpayments made pursuant to this understanding will be made in accordance with Paragraph (120e).

Very truly yours,

Bernard J. Quick
Director Labor Relations

VACATION ADDITIONAL TIME OFF

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

Subject: Working on a Holiday/Vacation
Entitlement Conversion Option

During the negotiations, the parties agreed that employees who work on a designated holiday (excluding the Christmas Holiday Period and the July 4th Holiday since employees who work on July 4th are already eligible for the Conversion Option), and are otherwise eligible for holiday pay, may request that eight (8) hours be credited to their Vacation Entitlement Allowance, in lieu of receiving holiday pay.

Eligible employees who work on any designated Christmas Period Holiday, may request that eight (8) hours for each day worked be credited to their Vacation Entitlement Allowance, in lieu of receiving holiday pay. Additional time off resulting from the Christmas Holiday Period may be utilized, per local plant practice, at any time during the following year prior to the next Christmas Holiday Period.

To provide sufficient time for administration, the employees must submit their request in writing no later than the Friday of the week in which the holiday occurs.

Very truly yours,

Bernard J. Quick
Director Labor Relations

COOLING-OFF PERIOD

Date: December 8, 1999

Subject: Cooling Off Period

To: Plant Management

During the course of the current negotiations, the Union expressed concern that some disciplinary interviews escalated into confrontation because tempers flared. The Union suggested that in these situations a "cooling off" period would be beneficial to all concerned.

The Corporation and the Union agreed that contemplated discipline should be discussed in a calm manner allowing for an objective evaluation of the facts. In those situations where emotions preclude this from happening, the parties agreed that as a matter of practice and when possible such discussions should be postponed until such time that, in the opinion of Management, a constructive exchange of information could occur.

Notwithstanding the foregoing, the parties recognized that certain actions such as assault, or other serious acts of misconduct would render the "cooling off" period totally inappropriate.

Additionally, it was mutually recognized that providing or not providing a "cooling off" period will be without prejudice to either party in the application of any terms of the Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim.

Sincerely,

Bernard J. Quick
Director Labor Relations

ADMINISTRATION OF SHOP RULE #6 & #7

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

The parties had numerous discussions during the current negotiations regarding the serious problems caused by absenteeism. The disruptive nature of absenteeism severely impacts Delphi Automotive Systems ability to compete effectively in the market place thereby jeopardizing job security. Over the years the parties have utilized various approaches to address the absenteeism problem with limited success. The union has suggested that a different method of managing attendance problems would be more effective than the current employee attendance procedure. The union contends that attendance problems are best addressed by the first line supervisors from direct responsibility for dealing with absentees. In this regard the union urged that the emphasis for correcting attendance problems be returned to the shop floor.

Accordingly, the parties agreed to cancel the existing Employee Attendance Correction Procedure and remove Shop Rule #6: "Absence without reasonable cause" and Shop Rule #7: "Reporting Late for Work" from the current disciplinary system and administer them separately and individually utilizing the current disciplinary system progression. All other Shop Rules would be administered utilizing the current disciplinary system progression. Further the parties agreed to jointly monitor on a periodic basis plant absenteeism data to assess the effectiveness of the traditional ap-

proach and where appropriate make recommendations where traditional methods have proven ineffective.

In canceling the existing Employee Attendance Correction Procedure the record of occurrences will be eliminated with the effective date of the 1997 Main Agreement. Any occurrence related appeals involving potential liability properly filed in accordance with the 1990 procedure will be processed in accordance with that procedure.

Very truly yours,

Bernard J. Quick
Director Labor Relations

UMPIRE DECISIONS

December 8, 1999

Mr. Dennis Bingham
President Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This letter confirms the understanding reached during this negotiations to prepare and distribute a set of Delphi-USWA Umpire Decisions (exclusive of Memorandum Decisions) to the local Union. Within ninety (90) days following the effective date of 1990 Agreement, a representative of the Delphi Labor Relations Staff will meet with a representative of the USWA to determine a mutually acceptable method to implement this understanding.

Bernard J. Quick
Director Labor Relations

HOLIDAY PAY AND DISCIPLINARY LAYOFF

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During current negotiations, the parties discussed the situation where the duration of an impending disciplinary layoff would encompass or abut a specified holiday. It was mutually recognized that a wide variety of practices exist on whether loss of holiday pay is appropriately included in the layoff penalty.

To insure uniformity in the administration of discipline in such situations, the Company advised the Union that, as a matter of policy as of the effective date of the 1979 Agreement, loss of holiday pay will not be included as part of the disciplinary penalty assessed.

Bernard J. Quick
Director Labor Relations

CHRISTMAS HOLIDAY PERIOD

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This is to confirm our understanding concerning the Christmas holiday periods provided under Document 74 of the Main Agreement.

The agreement is intended to continue the concept of an unbroken Christmas Holiday Period from the day before Christmas through New Year's Day (inclusive); a period that encompasses two weekends.

Very truly yours,

Bernard J. Quick
Director Labor Relations

PRINCIPLES OF FAIR DAY'S WORK PLAN

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During negotiations on the conversion of the Incentive pay plan to a non-incentive Fair Day's Work Plan the Union, on several occasions, asked Management what work performance would be expected of the employees under the concept of the new plan.

In consideration of the Union's question, following hereunder is Management's response:

Each employee will be expected to:

- (1) Work at a normal speed or tempo.
- (2) Follow the prescribed method of job performance.
- (3) Effectively use the facilities (tools, equipment, etc.) provided.
- (4) Stay on the job except for reasonable personal needs.
- (5) Maintain quality requirements.
- (6) Willingly accept improvements and changes in the job operation.
- (7) Inform supervision when they have difficulties or are out of work.

In discussion with the employees concerning standards of production, supervision will emphasize the foregoing factors of the fair day's work concept and

will refrain from talking about number of pieces per hour or pieces per day as a measurement of the employee's responsibility to produce a fair day's work.

Unfortunately, as in the past, under the incentive pay system, some employees will refuse to follow instructions or, by their conduct or uncooperative attitude, will require corrective discipline.

Initially, with the effective date of the Fair Day's Work Plan, it is Management's intent to show a degree of tolerance for the employee who is cooperative with the new Plan but has been accustomed to work habits different from those outlined under the Fair Day's Work Plan.

Such employee will be reminded of and urged to fulfill his/her obligations under the Plan. Obviously there may be some employees who will not respond to urging and will have to be dealt with more severely.

No employee who is sincerely trying to give a fair day's work effort will be criticized but will receive additional training and instruction over a reasonable period of time to assist him/her in overcoming difficulties he/she may be having with his/her job performance.

In the event the Company and the Union are successful in negotiating the non-incentive pay plan, I would suggest, for the first few weeks, a close line of communication between your office and the Labor Relations Section for the purpose of keeping both parties advised of any serious problems that may arise in the early stage of the Plan.

The content of this Company statement, when combined with the Supplemental Agreement providing for the conversion to a straight hourly rate pay plan, substantially covers the points of concern expressed by the Union in negotiations and should serve as a reply

to any inquiries you may receive from your membership relative to the Company's administration of the Fair Day's Work Plan.

This statement is intended as an addition to the information already presented to the Union.

Sincerely,

Bernard J. Quick
Director Labor Relations

(Orig. issued 10-7-64)

CONTINUOUS MANUAL OPERATIONS - LUNCH PERIOD

December 8, 1999

In implementing the provisions of Paragraph (88a) of the Agreement dated 10-5-64 between the Company and Local Union 87, USWA with respect to the subject of a lunch period on operations on which the employees' manual operations are continuous and which cannot be left unattended for a continuous period not in excess of twenty (20) minutes for the purpose of lunch, the following shall apply.

Effective thirty (30) days after the Company receives from the Union notification of ratification of the Main Collective Bargaining Agreement and the supplements made thereto, the Company will provide "tag" relief so that each employee who may be assigned said type operation will be provided thereafter a period of twenty (20) continuous minutes for lunch, provided the employee would have worked through such period and beyond had it not been scheduled as the employee's lunch period. Likewise, employees who are assigned three-shift operations as set out in Paragraph (88a) but who do not require "tag relief" will be provided a period of twenty (20) continuous minutes for lunch.

This policy is provided as a clarification of the application by the Company of Paragraph (88a) as it related to lunch periods on the specific type operations set out herein and does not change, modify or nullify the provisions of said paragraph.

Delphi Energy and Chassis Systems
Delphi Automotive Systems

(Orig. Issued 10-22-64)

**LOCAL UNION PRESIDENT
DELPHI AUTOMOTIVE SYSTEMS**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham,

During these negotiations, the parties discussed the duties of the Local Union President of the USWA Local 87 in the Delphi Energy and Chassis Home Avenue/Vandalia plant.

The parties agreed that the president's function includes, in addition to administrative duties as the Local Chief Executive Officer, certain elements of Main Agreement administration.

Accordingly, the Corporation agreed that if this plant continues to employ 500 or more employees where the Local Union President is a full time employee, such president will be allowed to perform legitimate administrative functions without loss of pay up to a total of forty (40) straight time hours per week. Moreover, such president, as a portion of the forty (40) hours will be permitted to leave the plant in accordance with Paragraph (20) of the Delphi-USWA Main Agreement and will be paid his/her regular rate for up to six (6) hours per day Monday through Friday to perform legitimate administrative functions.

Such Local Union President shall notify the designated Management representative, when leaving and returning to the plant during working hours.

Moreover when such Local President is absent for at least one full working day for reasons other than

those provided herein, Management will recognize a temporary replacement from among the full time employees. Notification of such replacement shall be submitted in writing at least twenty-four hours in advance to Local Management's designated representative. In the event such a replacement is made, the Local President shall not be paid and his/her replacement will be permitted to utilize time out of the plant with pay pursuant to the provisions herein.

Any problems associated with the implementation or administration of this letter will be reviewed by the Corporation Labor Relations Staff.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**COLA COMPUTATION
DELPHI AUTOMOTIVE SYSTEMS**

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue

Dear Mr. Bingham:

This letter is to confirm certain agreements reached by Delphi Energy and Chassis Systems, Delphi Automotive Systems and Local Union 87, USWA, AFL-CIO/CLC, regarding the Cost of Living Allowance pursuant to Paragraphs (94a) through (94j) of the Main Agreement.

The table in Paragraph (94f) has been constructed to provide that 1¢ adjustments in the Cost of Living Allowance shall become payable, sequentially, for each 0.3, 0.2, 0.3, 0.2, 0.3 and 0.2 change in the Index, and so forth, with that sequence of changes being repeated thereafter in the table so as to produce an average adjustment over time of 1¢ for each 0.25 change in the Index.

If the Union claims that the Corporation's calculations in any particular instance were not made in accordance with the terms of this Letter of Understanding, it may pursue such claim in accordance with the provisions of Paragraph (47a) of the Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

ENGINEERING METHOD OF ROUNDING

The following rules of rounding shall apply to the determination of the Consumer Price Index:

1. If the leftmost of the digits discarded is less than 5, the preceding digit is not affected. For example, when rounding to four digits, 130.646 becomes 130.6.

2. If the leftmost of the digits discarded is greater than 5, or is 5 followed by digits not all of which are zero, the preceding digit is increased by one. For example, when rounding to four digits, 130.557 becomes 130.6.

3. If the leftmost of the digits discarded is 5, followed by zeros, the preceding digit is increased by one if it is odd and remains unchanged if it is even. The number is thus rounded in such a manner that the last digit retained is even. For example, when rounding to four digits, 130.5500 becomes 130.6 and 130.6500 becomes 130.6.

ANTICIPATED TERMINATION OF SICK LEAVE

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the parties discussed at length the Union's concern that certain employees on Sick Leaves of Absence were not made aware of the anticipated return to work date supplied to Management by the employee's personal physician.

As a result of these discussions, the Company advised the Union that as a matter of policy it would, effective January 1, 1980, initiate a procedure whereby, in those instances where such information was submitted directly to Management by the employee's attending physician, an employee on a Sick Leave of Absence would be provided written notification of the most current anticipated return to work date designated by his/her attending physician. A copy of this notification will be provided to the Chairperson of the Shop Committee.

In establishing such a procedure, it is mutually recognized that providing or not providing such information will be without prejudice to either party in the application of any terms of the Main Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim.

Very truly yours,

Bernard J. Quick
Director Labor Relations

OVERTIME POLICIES**Inter Organization****Date:** December 8, 1999**Subject:** Overtime Policies**To:** All Members of Supervision with
Employees in the Local 87 Bargaining Unit

As part of the current negotiations, Delphi Automotive Systems informed the USWA that it is the Corporation's intention to continue its previous policy regarding overtime practices.

There was considerable discussion in these negotiations about the claims of the USWA that too many employees who are required to work overtime over extended periods are not excused from overtime work assignments even though they have legitimate reasons to be excused.

The Corporation pointed out that overtime serves a number of functions essential to the effective operation of Delphi Automotive Systems tightly integrated and interdependent manufacturing system. In many instances, overtime must be worked at one or more plants in order to permit other plants to meet their schedules. Emergency overtime to repair breakdowns in essential equipment is often necessary to prevent or minimize interruptions in plant operations and resultant short work weeks for many employees. Overtime is also necessary on bottleneck jobs and also during certain times of the year in order to meet model change deadlines and to satisfy fluctuations in customer demand for Delphi Automotive Systems products.

Both the Union and the Corporation recognized that the nature of the business requires overtime work assignments. In many instances, however, less than a full complement in a Advisor's group is needed to man the jobs which are working overtime. When less

than a full complement of employees is needed, it is usually practicable for the Advisor to excuse employees who do not wish to work and confine the overtime assignments to those employees who do wish to work.

In situations where there are sufficient employees available who wish to work overtime and who are capable of doing the overtime work assignments, employees who do not wish to work overtime are to be excused from doing so, insofar as practicable.

Employees who are required to work overtime should be given as much advance notice as is practicable so that they can make any personal arrangements that may be necessary.

An individual employee's personal problems in connection with working overtime should be given careful consideration and his/her individual needs should be recognized. The individual employee's request to be excused from an overtime work assignment, when made a reasonable period of time in advance, should receive every possible consideration. When the employee's request is granted, he/she will be notified as far in advance as possible so that the employee can make his/her personal plans accordingly. Thereafter, any cancellation or change in the arrangements to excuse the employee will only be made with his/her consent.

Except in situations of an emergency or crisis nature, an employee who is not assigned to a necessary continuous seven-day operation and who has worked thirteen consecutive calendar days, will be excused from work on the next following Sunday provided he/she has requested the day off before the end of his/her shift on the previous Wednesday.

Bernard J. Quick
Director Labor Relations

STATEMENT

During current negotiations the Union cited a case under Paragraph (126a) where a member of an otherwise eligible employee's immediate family as defined in the Paragraph, died and the body was cremated.

The Company assured the Union that in such a case, when a bona fide memorial service is held at the funeral home or a place of worship in the same community area at the time of the cremation, attendance at the memorial service would satisfy the requirements for attendance at a funeral under Paragraph (126a).

QUALITY COMMITTEE COMMITMENT

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the course of these negotiations, the parties discussed at length and mutually agreed to the need for increased competitiveness of Delphi Automotive Systems in the marketplace.

Together, the people of Delphi Automotive Systems have worked to improve product quality. This spirit of cooperation has resulted in substantial improvement in the quality of the Corporation's products. It is recognized that achieving and maintaining world-class quality levels is an ongoing effort and commitment that must be shared by all employees in order to be successful. The Delphi Automotive Systems process for total quality is the Quality Network - the one process for customer satisfaction. Although management has the ultimate responsibility for the Quality Network, it is recognized that USWA leaders and members are valuable partners in the implementation of this process. It is further recognized that the Quality Network provides the foundation for jointly achieving and maintaining the necessary quality levels in everything we do and will result in customer satisfaction.

As a result of these negotiations, the parties have restated their commitment to the successful joint implementation of the Quality Network process with emphasis on the beliefs and values, customer satisfaction, continuous improvement, and elimination of waste in all aspects of our business.

In recognition and support of the importance of this joint effort and the need for communication and coordination, the parties agreed to develop a Plant Quality Council consisting of the President of the Local Union, Plant Manager, Personnel Director, other appropriate Management Representatives and the Quality Network representative appointed by the Local Union. It is recognized that the duties of such Quality Network Representative are to assist in the implementation of the Quality Network process and related action strategies as directed by the Plant Quality Council. Additionally, the Quality Network Representative will support the principle that all employees have a responsibility for product quality by exercising due care and diligence in performing their duties.

The Plant Quality Council will implement a process for employees to voice their product quality concern(s), independent of the grievance procedure, based on the following:

- Employee/Supervisor discussion to attempt to resolve concern, consulting as required with plant quality resources.
- If unresolved, the District Committeeperson, if requested, will assist in the resolution of the employee's concern.
- The Supervisor and/or District Committeeperson may request the assistance of the Quality Network Representative to participate in the resolution of the concern.
- Thereafter, if unresolved, the concern may be discussed with the Plant Quality Council at the next meeting.
- The Quality Network Representative will advise the Plant Quality Council on the status of quality concerns referred to him/her.

- Feedback regarding the status of employees concerns will be provided to the originating supervisor and employees by the Plant Quality Network Representative,
- During overtime hours, such Quality Network Representative will be scheduled to perform Quality Network related activities if so directed by the Plant Quality Council and they would otherwise have work available in their equalization group.

Finally, during these negotiations the parties discussed the necessity that all Delphi employees must take individual responsibility for product quality. Management will provide employees with the appropriate training, methods, systems, materials and equipment in an appropriate environment to perform their work. It is then incumbent upon employees to exercise diligence and properly perform their work to produce the highest quality, customer-valued products. It is only through personal commitment from every Delphi employee that we will satisfy our customers and maintain job security for all.

Very truly yours,

Bernard J. Quick
Director Labor Relations

PLANT CLOSING AND SALE MORATORIUM

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

As a result of your deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the new Collective Bargaining Agreement, the Corporation will not close nor partially or wholly sell, spin-off, split-off, consolidate or otherwise dispose of in any form, any plant, asset, or business unit of any type, beyond those which have already been identified constituting a bargaining unit under the 1999 Delphi-USWA Agreement.

In making this commitment, it is understood that conditions may arise that are beyond the control of the Corporation, e.g., act of God, and could make compliance with this commitment impossible. Should such conditions occur, the Corporation will review both the conditions and their impact on a particular location with the Union.

Should it be necessary to close a plant constituting a bargaining unit consistent with our past practice, the Corporation will attempt to redeploy employees to other locations and, if necessary, utilize the "Special Programs" identified in Appendix L of the Delphi-USWA Main Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

SALE OF OPERATION

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations, the Union requested the Corporation to agree that any sale of an operation as an ongoing business would require the buyer to assume the 1999 Delphi-USWA Collective Bargaining Agreement. The Corporation agreed to do so in the case of any such sale during the term of the 1999 Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

JOBS PROGRAM VOLUME RELATED LAYOFFS-SEL

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the course of these negotiations, the Corporation and Union have provided Delphi Automotive Systems employees with substantially increased job security through the new SEL feature of the JOBS Program, which protects eligible employees against layoff for virtually any reason except volume related market conditions. The parties recognize that employment levels may continue to fluctuate as a result of the cyclical nature of demand in our industry. The Corporation acknowledges, however, the importance of minimizing layoffs even in instances where volume related declines are unavoidable. In particular, the Union stressed the importance of reducing overtime and shifting dual sourced production requirements to USWA-Delphi Automotive Systems plants in the event of overall market declines. The Corporation agrees to take these and other actions whenever practical.

In any event, however, employees affected by volume related declines would exercise their seniority in line with the local seniority agreement and, if otherwise eligible, receive benefit treatment in accordance with the Supplemental Agreements attached to the current Delphi-USWA Collective Bargaining Agreement.

Identifying the complex inter-relationships of all the factors involved with volume fluctuations is a dif-

ficult task. The parties agreed, however, that for purposes of determining SEL related protections they must identify just those volume declines that are attributable to market related conditions, and in turn, just those declines that are not affected by Corporation sourcing choices of vehicle components that compete with or act as replacements for vehicle components produced by Delphi Automotive Systems employees covered by this Collective Bargaining Agreement. In other words, volume declines that are attributable to the Corporation's production and purchase arrangements with any related or unrelated party (subsidiaries, affiliates, captives, joint ventures, transplants, etc.) would be considered an exception to the overall volume related exclusion in Section I(C) of the JOBS Program.

The parties also agreed that the complexity of these issues requires that the Corporation provide Local JOBS Committees adequate notice of any impending volume-related layoff, as well as all information necessary to fully evaluate its underlying causes, the extent to which such decline is associated with a Corporate sourcing action and the appropriate number of SEL eligible employees that should be affected by the layoff.

The Corporation recognizes, moreover, that it has the responsibility to justify implementation of a layoff in the context of the protections spelled out in the JOBS Program and the guidelines outlined in this letter. Similarly, the Corporation also accepts the responsibility of proving that the proper number of employees are recalled to SEL positions when a volume related decline is reversed, again within the context of the JOBS Program protections and the guidelines outlined in this letter.

The following are to be considered as illustrations to assist the parties in determining when volume re-

lated declines support reductions in employment. These illustrations should not be considered all inclusive.

- Market Related Conditions - included in this category is customer preference of one product over another that might result in a decline in sales of a U.S.-built Delphi Automotive Systems product that requires the layoff of employees, provided such sales declines are not the result, for example, of increased sales or increased market share of competitive captive imports or joint venture products or any other product sold in the U.S. by Delphi Automotive Systems but not produced in a Delphi Automotive Systems plant.

- Example of Market Related Conditions

- (1) There is a decline in economic activity which depresses sales of Delphi Automotive Systems products. Lower production levels require the layoff of employees. Plant A, employing 4,100 SEL eligible employees, is the sole source of Product Z for the U.S. market; it is required to lay off one shift, or 2,000 employees. The plant's SEL number remains at 4,100 including 2,000 open positions for laid-off employees.

While the plant is down to one shift, the Corporation decides to outsource Product X, which reduces employment requirements by 250 employees per shift. Two hundred fifty (250) employees are placed on Protected employee status. There is no impact on the SEL numbers.

U.S. demand picks up to pre-layoff levels and the second shift is called back. Active employment at the plant goes back to 4,100. As the second shift is called back and the plant is back to pre-downturn production levels, an additional 250 employees are placed on Protected employee status which now leaves a

total of 500 employees. The SEL plant number remains at 4,100.

- (2) Plant B (5,000 SEL-eligible employees) is not the sole source of Product Y, which is also produced in Canada for the U.S. market, in Plant BC. Plant BC supplies one-fourth of the U.S. demand for Product Y. An economic downturn in the U.S. reduced demand for Product Y by 160,000. In accordance with SEL guidelines, volume related employment reductions cannot exceed Plant B's share of pre-downturn volume levels (three-fourths) applied to the reduced level of overall sales. Production in Plant B is therefore reduced by no more than 120,000 units, causing layoffs of 2,000 workers. Plant B's SEL remains at 5,000, including 2,000 open Bank positions.

Product Y demand in the U.S. market picks up by 60,000. The Corporation decides to produce 30,000 of those units in Plant B and the rest in Canadian Plant BC. The increase in production is not accomplished in proportion to pre-layoff production shares; to comply with SEL, the Corporation must recall 250 employees which it assigns to Protected employee status in addition to the 500 employees required for the pick up in production.

- Product Discontinuance - Because of the introduction of a new U.S.-built Delphi Automotive Systems or a non-allied company product not sold by Delphi Automotive Systems, sales of another Delphi Automotive Systems-manufactured product may decline, and production of the latter product must be curtailed necessitating reductions in employment. Such reductions would be considered volume related declines under Paragraph 1(C) of the Program.

- Examples of Product Discontinuance or Phase Out and Changes in Customer Preference
 - (1) A new U.S.-built Delphi Automotive Systems product (or any other new non-allied company product which is not marketed by the Corporation) is introduced. Sales of Product X decline by 50%, and assembly must be curtailed. The necessary reductions in employment are made through layoffs, keeping the SEL number at the plant at the same level.
 - (2) Battery Plant C, employing 1,400 SEL-eligible people, produced half of the batteries for Product X; the other half are produced at a Corporate plant in Mexico. The volume reduction is made totally at Plant C rather than split proportionately between Plant C and the plant in Mexico. Thereafter, in accordance with the JOBS guidelines half of the 700 employees who are not required any longer in Plant C due to this event are assigned to Protected employee status, and the other 350 employees would be laid off. The SEL at Plant C remains at 1,400 including 350 open volume related positions.
- Faulty Product - Vehicle line volume may decline because of faulty parts in a vehicle that cause customers to place the product in disfavor. Related Delphi Automotive Systems product volume may also decline. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.
- Changes in Retail Preference - Delphi Automotive Systems volume may decline because of customer preference shifts - in turn affecting mix and therefore demand, e.g., small car preference shifts to large car; option preference swings; high product

content to low product content. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.

- Non-Delphi Automotive Systems Commercial Customer Preference - Cancellation or declines in product volume for Delphi Automotive Systems manufactured parts that are sold to unrelated firms may cause volume changes. Such volume reductions would be considered volume related declines under Paragraph I(C) of the Program.
- Examples of Non-Delphi Automotive Systems Commercial Customer Preference

Plant A produces heavy-duty cranking motors for off the road construction equipment. Volume is reduced as a result of a decline in the construction industry. One hundred fifty (150) employees are laid off; 150 open SEL positions are established.

At the time production is back to pre-layoff levels, the Corporation introduces two robots which replace 25 employees. According to SEL guidelines, all of the 150 employees are recalled from layoff, 25 of them are assigned to Protected employee status, and the SEL number remains equal to its pre-layoff level.

- Non-Delphi Automotive Systems Produced Products - If sales of a new or replacement product manufactured by an allied company for Delphi Automotive Systems, that competes with a product manufactured by the Corporation, results in reduced sales of the Corporation - manufactured product, the action would not be volume related and layoffs under Paragraph I(C) of the Program would not be permitted.

- Example of Non-Delphi Automotive Systems Produced Products

The Corporation outsources a product that it markets in competition with Product W manufactured by Delphi Automotive Systems employees. This results in reduced sales of Product W. Employment requirements are reduced but this event is not covered under Paragraph I(C) of the JOBS Program and the layoffs are not permitted. This protection also extends to employees producing USWA-Delphi Automotive Systems components which are manufactured for Product W.

- Delphi Components or Materials

It is recognized that reduction in vehicle production will often be accompanied by reductions in component production: When reductions in vehicle production are volume related, pro-rata reductions in component production will normally be considered volume related as well. Furthermore, when a like or similar component is dual-sourced from a USWA-Delphi Automotive Systems and a non-USWA Delphi Automotive Systems plant, production declines at the USWA-Delphi Automotive Systems plant will only be considered volume-related to the extent the dual-sourced component produced at that plant continues to be produced in its pre-production decline proportion.

- Examples:

- (1) Plant A receives hard plastic steering wheels from a USWA-Delphi Automotive Systems plant and soft urethane steering wheels from a non-USWA Delphi Automotive Systems plant. A volume decline occurs in hard plastic wheels because of customer preference for soft urethane wheels. Such reductions would be con-

sidered volume related declines under the Program but would not have to be taken proportionately because the wheels would not be considered like or similar components.

- (2) Plant B receives a brake hose that has couplings assembled from a USWA-Delphi Automotive Systems plant and brake hose that have couplings assembled from a non-USWA Delphi Automotive Systems plant. The brake hose are used interchangeably and would be considered like or similar components. Therefore, any volume declines in brake hose assembly production would have to be taken proportionately to be considered volume related.

As implied by these examples, there are many variations to be considered when determining volume actions. This letter is intended to provide a framework within which Local and National JOBS Committees may review the applicability of Paragraph 1(C) to volume reductions.

If a Local JOBS Committee cannot agree on a situation being defined as volume related, the matter may be appealed to the National JOBS Committee for resolution.

Very truly yours,

Bernard J. Quick

Director Labor Relations

UP-FRONT LUMP SUM PAYMENT
DELPHI AUTOMOTIVE SYSTEMS

Dennis Bingham, President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the parties agreed to provide an up-front lump sum payment of \$1,350 to each eligible employee. Eligible employees are defined as those whose status effective October 18, 1999 is one of the following:

- (a) Active (excluding those hired pursuant to Appendix M, and any other temporary part-time employee not acquiring seniority);
- (b) On temporary layoff status;
- (c) On one of the following leaves of absence not greater than ninety (90) days:
 - Pursuant to Family and Medical Leave Act
 - Informal (Paragraph 102)
 - Formal (Paragraph 104)
 - Sickness and Accident (Paragraphs 105)
 - Military (Paragraph 112)
 - Educational (Paragraph 107);
- (d) Employees otherwise eligible with retirements processed for an effective date of October 1, 1999 or November 1, 1999.

In addition, should the President - USWA - Local 87 raise any question of equity in application regarding specific employees, the Corporation agrees to meet on such cases in order to review the facts.

Very truly yours,

Ralph E. Handley
Executive Director
Industrial Relations

TEMPORARY OPENINGS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations, the parties discussed the problem created when local management is reluctant to recall laid off employees to perform work of known short-term duration because under the terms of the 1982 Agreement such employees regenerate costly benefits.

As a result of these discussions, changes are incorporated in the current agreement which delay regeneration of certain benefits. In response to those changes the Corporation assured the Union that local Management would discuss with the Local JOBS Committee plans to recall available laid off employees or hire other laid off Delphi Automotive Systems employees to fill such short-term openings.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**TEMPORARY OPENINGS
LAID OFF EMPLOYEES WORKING**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During current negotiations, the parties discussed problems that arise when laid off employees working at permanent jobs in other Delphi Automotive Systems plants are recalled to former locations to fill openings considered at the time to be temporary. It was determined to be mutually beneficial for such employees to remain on their present jobs. Accordingly, it was agreed that such employees would not be recalled or rehired under such circumstances.

Furthermore, if laid off employees working at permanent jobs with outside employers are recalled to fill openings considered at the time to be temporary, these individuals who desire to be bypassed under the provisions of this document should notify the appropriate employment office.

In this regard, solely for the purposes of calculating the periods relative to breaking seniority and exhausting rehire rights at their respective plant pursuant to Paragraphs (51e)(1) and (62d)(5), such employees shall be considered as having accepted recall to their former plant on the date such work became available and returned to layoff status at such time as the period of temporary work is completed.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**STATEMENT OF POLICY REGARDING
EMPLOYMENT OF LAID OFF
DELPHI ENERGY AND CHASSIS SYSTEMS
EMPLOYEES-DAYTON AREA**

During the current Negotiations the parties discussed the subject of USWA-represented employees who are permanently laid off from their Delphi Automotive Systems plant.

Accordingly, the Corporation assured the Union that employees of Delphi Automotive Systems with one or more years seniority who are permanently laid off in a reduction in force will be given consideration for employment as a new hire in other Delphi plants in the same labor market area.

For purposes of this policy, the "same labor market" is defined as the following Delphi Automotive Systems plants located in the Dayton, Ohio area:

Harrison Thermal
Delphi Energy and Chassis-Wisconsin/
Needmore
Delphi Energy and Chassis-Kettering

It is understood that such consideration for employment will only be extended to such laid off Delphi employees after all other prior contractual commitments and other obligations have been met with respect to hiring at the above-cited facilities.

In order to receive consideration for hire under this policy it will be necessary for such laid off Delphi employees to make application in person at the facility(s) at which they desire consideration.

Any complaints regarding the application of this policy may be taken up with the Delphi Management

by the Local Shop Committee and if not resolved, may be reviewed by the Labor Relations Staff of the Corporation and the International Union; however, this policy shall not be the basis for any claims for back wages or any form of retroactive adjustments.

**STATEMENT OF POLICY REGARDING
EMPLOYMENT OF LAID OFF DELPHI
ENERGY AND CHASSIS SYSTEMS
EMPLOYEES - OUTSIDE DAYTON AREA**

During the current Negotiations, the parties discussed the subject of USWA-represented employees who are permanently laid off from their Delphi Automotive Systems plant.

Accordingly, the Corporation assured the Union that USWA-represented employees of Delphi Automotive Systems with one or more years seniority who are permanently laid off in a reduction in force will be given consideration for employment as a new hire in other Delphi plants.

It is understood that such consideration for employment will only be extended to such laid off Delphi employees after all other prior contractual commitments and other obligations have been met.

In order to receive consideration for hire under this policy, it will be necessary for such laid off Delphi employees to make application in person at the facility(s) at which they desire consideration.

Any complaints regarding the application of this policy may be taken up with the Delphi Management by the Local Shop Committee and if not resolved, may be reviewed by the Labor Relations Staff of the Corporation and the International Union; however, this policy shall not be the basis for any claims for back wages or any form of retroactive adjustments.

**STATEMENT OF POLICY REGARDING
EMPLOYMENT OF LAID OFF DELPHI
ENERGY AND CHASSIS SYSTEMS
EMPLOYEES AS A RESULT OF A
TRANSFER OF OPERATIONS**

During the current Negotiations the parties discussed the subject of USWA-represented employees who may be permanently laid off from their Delphi Automotive Systems plant because of a transfer of major Delphi operations from the Dayton, Ohio area to a new Delphi plant.

Accordingly, the Corporation will give preference to the applications of such affected laid off Delphi employees with seniority, at that new location as a new hire.

It is understood that such consideration for employment will only be extended to such laid off Delphi employees after all other prior contractual commitments and other obligations have been met with respect to hiring at the new location.

In order to receive consideration for hire under this policy it will be necessary for such laid off Delphi employees to make application in person at that new facility.

Any complaints regarding the application of this policy may be taken up with the Delphi Management by the Local Shop Committee and if not resolved, may be reviewed by the Labor Relations Staff of the Corporation and the International Union; however, this policy shall not be the basis for any claims for back wages or any form of retroactive adjustments.

EXPANSION OF OPERATIONS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This will confirm our verbal commitment that during the term of the current Main Agreement where there is an expansion of operations of the USWA-represented plants of Delphi Automotive Systems in Dayton/Home Avenue and surrounding communities for the purpose of producing products similar to those now being produced in those plants, such expansion of operation shall be regarded as an accretion to the existing USWA unit and recognition will be extended to the USWA as the collective bargaining representative for employees traditionally represented by the USWA provided that extending recognition does not violate existing law.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**MEMORANDUM OF UNDERSTANDING
REGARDING TRANSFER OF
OPERATIONS AT DELPHI ENERGY AND
CHASSIS SYSTEMS**

It is agreed between the parties that agreements reached during the 1982 Negotiations regarding the transfer of operations at Delphi Energy and Chassis Systems will be subject to review between the Corporation, the UAW, the IUE and USWA.

Disputes arising from this review will be discussed in an attempt to reach a satisfactory adjustment of such disputes.

International Union	Delphi Automotive Systems
USWA Local 87	Delphi Energy and Chassis Systems

TUITION REFUND PROGRAM

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

Delphi Automotive Systems offers and administers a Tuition Refund Program under which employees will, under such terms and conditions as the Corporation may from time to time establish, receive a tuition refund not to exceed \$1,535 for the calendar year (\$2,535 for the calendar year for approved courses taken at an accredited college) upon completion of an approved job-related course at an approved educational or training institution during non-working hours while on the active role of the Company. Any refund made to an eligible employee will relate to the calendar year of completion of the approved course or courses.

The following programs are considered job related and will be approved when the needs cannot be met within the Corporation:

- (a) Courses which will improve the employee's skill on his present job. This includes courses designed to update employees in the technology of their trade or occupation.
- (b) Courses which relate to the next job in the logical development of an employee's career.
- (c) Courses which will prepare an employee for openings that are expected to occur in the future and for which a sufficient number of qualified employees are not available.

- (d) Courses taken to complete the requirement for a grammar school certificate or high school diploma.
- (e) Any literacy course or courses in fundamental reading and mathematics. These include courses usually designed to teach sixth grade competency in reading, writing and numerical skills.
- (f) Any required or pertinent elective courses taken in a degree-seeking program in a field related to the employee's job or appropriate to his/her career in Delphi Automotive Systems.

Additionally, the spouse or dependent children of a deceased active employee will be entitled to utilize the remaining balance of the employee's annual Tuition Refund eligibility for college or educational pursuits during a period of one year following the date of the employee's death.

In addition to the above, an employee who is laid off due to the closing of the plant, and, at the time of such layoff, had five (5) or more years of seniority, may utilize the Tuition Refund Program for the purpose of vocational training to qualify for any available or potential employment opportunities. This expanded tuition refund eligibility shall not exceed \$1,535/\$2,535 for courses taken at an accredited college and the employee must apply for such refund within 24 months from the effective date of layoff.

Very truly yours,

Ralph E. Handley
Executive Director
Industrial Relations

RETIREE TUITION ASSISTANCE PLAN
DELPHI AUTOMOTIVE SYSTEMS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This will confirm the understanding reached during the present negotiations that a Retiree Tuition Assistance Plan (including personal enhancement courses approved by recognized accreditation agencies and those approved by government education or training programs) for retired USWA (Local 87) represented Delphi employees shall continue to be funded under the Tuition Assistance Program. Retirees would be eligible to take classes approved on-site at the plant or local union hall at the location from which they retired. The courses offered to retirees must be those that are available to the active workforce.

The program provides up to \$1,250 per calendar year per retiree for the prepayment of tuition and compulsory fees for approved courses leading to credits or degrees only offered on-site by approved educational institutions or courses included in a special range of approved competency based courses, including non credit and non degree courses or activities.

The plan will be administered by the Local Joint Activities Committee. The Committee has the authority and discretion to interpret the terms of the pilot including, but not limited to, school and course approval, location of courses and program guidelines.

In addition, the grievance procedure set forth in the Delphi-USWA Agreement has no application to or jurisdiction over any matter related to this joint program.

Very truly yours,

Bernard J. Quick

Director Labor Relations

**USWA-DELPHI SCHOLARSHIP PROGRAM
FOR DEPENDENT CHILDREN
DELPHI AUTOMOTIVE SYSTEMS**

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations, the parties discussed the importance of continuing education for school-aged dependent children of USWA-represented employees. In this regard, the International Union and the Corporation have agreed to continue the USWA-Delphi Scholarship Program for Dependent Children.

The joint committee established by the Local Joint Activities Committee will continue to direct the delivery of the program based on the following parameters:

- **Eligibility:** Dependent children of active, retired, or deceased USWA-represented employees who are pursuing post-secondary education or training at an institution accredited by a governmental or nationally recognized agency are eligible to apply for continuing education support.
- **Amount of Support:** An annual voucher of up to a maximum of \$1,250 will be distributed directly to the recipient's educational institution for tuition and/or compulsory fees.
- **Funding:** Funding for this program, including administrative costs, will be provided through Joint National Funds. Total annual funding and expendi-

tures for this program will be determined by the Local Joint Activities Committee.

- Administrative procedures: The Program will be jointly administered by the National Joint Activities and Training Committee.
- Payments under the USWA-Delphi Scholarship Program for Dependent Children will be subject to applicable federal, state, and local income tax provisions.

The Grievance Procedure set forth in the current Delphi-USWA National Agreement has no application to, or jurisdiction over, any matter related to this program.

Very truly yours,

Ralph E. Handley
Executive Director
Industrial Relations

JOINT PROGRAM REPRESENTATIVES

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations the parties discussed at length the need to focus our current joint program representatives on specific programs designed to assist our employees and the management in implementation of an improved working environment.

Over the years, we have agreed to a number of different joint program representatives appointed by the International Union, USWA, and, in some cases, by the local management and union leadership to carry out and administer certain negotiated agreement programs in the following functions:

- Health and Safety
- Joint Activities
- Placement
- Employee Assistance Program
- Human Resource Development
- Joint Training
- Quality Network

Each plant in Delphi Automotive Systems, depending on employee population, may have employees assigned to the above functions. Each time new programs have been negotiated, people were assigned to per-

form the tasks associated with each program to the extent that we now have several well-trained experts in those fields. The parties recognize that over the years priorities have shifted and, as a result, there is a need to carefully analyze the programs that currently require increased emphasis, such as, employee assistance, health and safety, etc. As a result, the parties have concluded that these well-trained resources can now be deployed or reassigned to programs requiring special attention.

It is recognized that each plant location has its own unique culture and needs; therefore, the local joint leadership group (Plant Manager, Personnel Director, Local Union President and Local Union Executive Board) will determine where their current full time representatives will be allocated to best serve the employees of the organization. It is recognized that at some locations additional representatives may be required to perform tasks associated with the newly determined local focus and at others less. In any event, the total number of new and current full-time joint program representatives shall not exceed the number provided for below:

Plant Population	Number of Representatives
Up to 200	1
201 to 400	2
401 to 600	3
601 to 1,000	4
1,001 to 5,000	Ratio of 1:250
5,001 and above	Ratio of 1:275

In the case of bargaining units between 1,001 to 5,000 and 5,001 and above, the number of representatives in a given bargaining unit will be determined by the number of represented employees (active, temporary layoff and Protected) divided by the appropriate ratio number. Where the fraction of the result is .5,

and above, the number will be rounded up to the next highest whole number and where the fraction is less than .5 rounded down to the whole number.

Nothing in this agreement limits or is intended to interfere with any local mutually agreed upon projects or initiatives falling outside the scope of this document that may provide additional staff resources to meet the specific objectives of the local parties.

Following the effective date of this agreement, each plant will submit an updated plan for redeployment of these resources by February 1, 1994 in accordance with specific guidelines issued by the Corporation. Such plan will include the names and assignments for each of the local representatives assigned to Joint Programs and will be forwarded to the Corporation Labor Relations Staff for approval prior to implementation. Likewise, as individual plant needs and priorities change, the local parties are afforded the flexibility to submit revised plans for approval.

When plant population changes occur which would increase or decrease the number of representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, in which case such adjustment will be made at the conclusion of the six month period. In the event such population change results from the discontinuance or addition of a shift, the opening of a plant, or the cessation of a plant's operations, the adjustment in the number of representatives will be made within the first twenty working days following the first day such population change occurs. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the Union.

When a reduction or increase in plant population calls for a change in the number of representatives,

the local parties will be required to submit a revised deployment of resources plan for approval.

It is understood that the Representatives redeployed in these locally determined areas of special focus and attention may require additional training. It is agreed that such training will be provided utilizing National Training Funds subject to the approval of the National Joint Activities and Training Committee.

It is agreed that such representatives shall function in accordance with governing provisions of the Delphi-USWA Main Agreement germane to their area of focus.

Longer range, the National Joint Activities and Training committee will establish a joint process aimed at effectively consolidating, simplifying, integrating, focusing and achieving better utilization of Joint programs at the plant level.

The spirit and intent of this document is to provide increased focus on joint employee programs and to more fully utilize the experience and talents of the representatives assigned to joint programs. The parties are committed to working together in a spirit of cooperation to improve our relationship and the effectiveness of our joint programs. The result of such cooperation will improve the working environment in the plant for all employees.

Any problems relating to the implementation of this document may be raised by either party and it is understood that any necessary modifications may be made by mutual agreement between the Corporation and the Union.

Very truly yours,

Bernard J. Quick
Director Labor Relations

STATEMENT ON TECHNOLOGICAL PROGRESS

During current negotiations, the President of USWA Local 87 raised the issue of job security for USWA-represented Delphi Automotive Systems employees.

Historically, the parties have recognized that continuing improvement in the standard of living of represented Delphi employees depends upon technological progress, better tools, methods, processes and means of manufacturing, as well as a cooperative attitude on the part of all parties in such progress.

The Corporation is mindful of the Union's concern regarding job security in the USWA bargaining unit and how such might be affected by new or advanced technology. Accordingly, the Committee on Technological Progress will meet periodically and will discuss the introduction of any new technological processes and the possible impact on job security for USWA-represented employees.

It is recognized that advances in technology may alter, modify or otherwise change the job responsibilities of represented employees at Delphi Automotive Systems.

Accordingly, where as a result of the initial introduction of new or advanced technology it is anticipated that an impact on the job security of USWA-represented employees may occur, the Management members of the Committee on Technological Progress will raise the matter with the Union members of the Committee. Such discussion will take place as far in advance of the implementation of the technological change as practicable. The Management will at that time describe for the Union the extent to which such technological changes may affect the job security of represented employees. The Management Committee

members will afford the Union Representatives an opportunity to comment on the Management's plan and to give appropriate weight to those comments in light of all attendant circumstances.

The Union has also voiced concern about the possibility that new, technologically impacted bargaining unit work will not be awarded to represented employees because they are insufficiently trained to perform it. In view of the parties' interest in affording maximum opportunity for employees to progress with advancing technology, as part of the discussion, the parties shall seek to identify appropriate specialized training programs so that employees will be capable of performing new or changed work normally performed by represented personnel. If reasonable, the Corporation will make such programs available, enabling employees to be trained to perform such work.

It is understood that nothing in the above procedure shall serve to limit either parties' rights under the terms of the Main Agreement, or serve to confer rights not otherwise explicitly granted by the terms of such agreement.

This statement serves to reaffirm the parties' mutual interest in affording job security and maximum opportunity for employees to progress with advancing technology.

PRE-RETIREMENT COUNSELING

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This will confirm our understanding that the parties have agreed to continue the Pre-Retirement Counseling Program made available to employees in an effort to assist them in their personal planning prior to retirement. The National Joint Activities and Training Committee may meet as required to explore and analyze the various other options available and may modify the program to meet the needs of Delphi Automotive Systems employees.

The Program will be supported by joint training funds and will be jointly administered under the direction of the National Joint Activities and Training Committee.

Very truly yours,

Bernard J. Quick
Director Labor Relations

PRE-RETIREMENT LEAVE PROGRAM

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the discussions leading to the JOBS Program in the 1993 Agreement, the parties addressed the desirability of having a mechanism to send Protected employees home in situations where a large group of Protected employees exists thus making it impractical to find meaningful assignments.

The parties agreed that within 120 days of the effective date of the Agreement, they will develop a mutually acceptable Pre-Retirement Leave Program that would permit the utilization of Protected employee position. Such leaves would be paid at 85% of straight time pay.

Eligibility shall be limited to employees who would be eligible for a regular early retirement based on attaining 30 years of service within twenty-four (24) months of participating in a pre-retirement leave. Upon attainment of 30 years of service, the participating employee will retire. The National JOBS Committee is authorized to make jointly approved modifications to the program, as necessary.

Employees on pre-retirement leaves are considered to be Protected employees under the JOBS Program and will receive the same insurance benefits.

Very truly yours,

Bernard J. Quick
Director Labor Relations

GRIEVANCE PROCEDURE AND PROPER IMPLEMENTATION

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the discussions that led to the 1990 Collective Bargaining Agreement, the parties held lengthy discussions regarding the Grievance Procedure and its proper implementation. Both parties acknowledged that the Grievance Procedure has worked well over the years in resolving problems when it was properly administered as outlined in the Main Agreement.

The Union claimed that in some instances, the Grievance Procedure provisions have not been properly applied relative to the intent of the Main Agreement. Specifically, the Union remarked that at certain times grievances were allowed to accumulate at the various steps of the Grievance Procedure and/or were not answered in a timely manner at the lower steps of the procedure. The Union further claimed that in some cases Management representatives were not available for or were unwilling to schedule regular grievance meetings. The Corporation stated their concern that at times, Union Representatives demanded answers to grievances before Management had an opportunity to investigate the charges contained in the grievance.

As a result of the foregoing, the parties reviewed the contents of Document No. 22 and Document No. 23 and reaffirmed their mutual desire and intention to assure that grievances will not be unduly delayed nor allowed to accumulate at any step in the Grievance

Procedure in any plant. Furthermore, it was recognized that both parties have the responsibility to meet regularly on grievances in accordance with the terms of the Main Agreement and that such meetings should not unnecessarily be postponed or delayed. In this regard, the parties agreed that complaints in this area will be handled under the provisions of Paragraph (1a) of the Main Agreement. Before such problems are referred from the plant, however, the situation will be discussed between the Chairman of the Shop Committee, the President of the Local Union and the Plant Manager and Personnel Director.

Very truly yours,

Bernard J. Quick ,
Director Labor Relations :

**USWA-DELPHI
MEMORANDUM OF COMMITMENT
TO
PRODUCT QUALITY**

During the past several years, the Corporation, in cooperation with USWA leadership, together with the people of Delphi Automotive Systems, have worked together in a spirit of teamwork to improve product quality. This spirit of cooperation has resulted in substantial improvement in the quality of the Corporation's products and services.

Further, the parties recognize that the production of the highest quality, customer-valued products is essential to secure the Corporation's position in the market and assure job security. The Corporation stated that high quality products have to be the result of a total quality process if Delphi Automotive Systems is to achieve its vision of being "Recognized By Our Customer as The Best Supplier!"

Delphi Automotive Systems process for total quality management is the Quality Network - the one process for total customer satisfaction. Although Management has the ultimate responsibility for the Quality Network, it is recognized that USWA leaders and members are valuable partners in the development of the process, the action strategies, and its implementation plans.

Such participation is reflected in the extensive efforts both parties have devoted to the subject of quality, exemplified by the institution of quality councils at the plant and divisional levels. Further, the parties during discussion of this document have restated their commitment to the Quality Network process and to the successful implementation of this jointly developed quality strategy. This process includes continuously improving the quality of everything we do and

eliminating waste in the manufacture of products and in services provided, and as a result, will serve to enhance the job security of all Delphi Automotive Systems employees.

It is recognized that the point where product design, technology, and process and materials come together and must work in harmony is at the worker/supervisor level in the organization. High quality products result from a well managed process that motivates employees to work together within a spirit of teamwork to continuously improve customer satisfaction. In this process, it is recognized that seeking opportunities for continuously improving product quality must be the foundation for customer satisfaction. It is acknowledged that it is ultimately management's responsibility to establish and assure product quality requirements and provide the processes for continuous quality improvement that supports all employees and are based on the Beliefs and Values.

It is recognized that performance of high quality work is everyone's responsibility, and as a result, it is intended that the Quality Network Representative and USWA leadership working together with local management will reinforce other ongoing quality improvement activities.

Finally, the parties discussed the necessity for all Delphi employees to take individual responsibility for product quality. Management's business planning process will include the necessity for providing employees with the appropriate training, methods and systems, materials, and equipment in an appropriate environment to perform their work. It is then incumbent upon employees to exercise diligence and properly perform their work to produce the highest quality, customer-valued products. The general guidelines for the parties to provide additional support to employees in this quality improvement process are set forth in the

Bernard J. Quick letter dated December 8, 1999, and entitled "Quality Commitment". It is only through personal commitment from every Delphi employee to provide the highest quality, customer-valued products that we will satisfy our customers and maintain job security for all.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on this 8th day of December 8, 1999.

Local 87, USWA

Delphi Automotive Systems

ERGONOMICS COMMITMENT

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

Re: USWA-Delphi Ergonomics Agreement

Pursuant to our discussions during these negotiations Delphi Automotive Systems recognizes its commitment to provide sufficient resources to achieve compliance with the provisions of this Agreement and the Tri-partite Agreement with Federal OSHA. The President of each division will communicate and emphasize the importance of Delphi Automotive Systems ergonomics commitment to each of their respective facilities. The status of the ergonomics process for each facility will be reviewed periodically at the Divisional Review Board. Discussions concerning significant problems or roadblocks will take place at these meetings.

At the facility level, the Manager may designate one staff member to oversee the daily operations of the ergonomics process. However, the Manager remains responsible for overall compliance. The Manager and Shop Chairperson will review at least semi-annually the resource needs of the ergonomics process.

The medical management of Cumulative Trauma Disorders (CTD's) is an essential component of the facility ergonomics process. The Corporate and Regional Medical Directors are responsible for assuring that the local medical programs comply with the Delphi

Medical Management program. This program will be reviewed periodically for continuous improvement and elimination of unnecessary complexity.

The Presidents and the Corporate Medical Director will communicate this information following ratification of the new agreement.

Very truly yours,

Bernard J. Quick

Director Labor Relations

GROWTH AND OPPORTUNITY

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations, we have explored at length methods to preserve and increase the job opportunities of our employees - your members. Further, we have mutually recognized that the best potential for increased job opportunities is a growing and thriving Corporation fully competitive in all aspects of its business.

During the discussions, and in response to your concerns regarding the outsourcing of USWA work, a new sourcing letter has been submitted providing a mechanism for meaningful advance Union involvement so that the plant, division, or Corporate sourcing authority may objectively consider the Union's input. The Job Security (JOBS) Program provides job security unmatched in American history.

The major concern addressed by both the sourcing letter and the JOBS program is the retention of USWA jobs within the Corporation. The entire issue of job security, however, is broader than the continuation by the Corporation of its current business activities. The Jobs Program recognizes that long range job security must include opportunities in our traditional business lines and development of businesses in nontraditional fields providing jobs for our current employees and future job entrants.

The challenge to the parties is a serious one, requiring the full range of all of our talent, experience and imagination. To enhance opportunities for employment growth, the parties agree to form a Growth and Opportunity Committee during the term of the current Agreement. This committee is charged with pursuing opportunities in non-traditional business areas with an overall view toward providing new jobs not currently included in the scope of Delphi Automotive Systems operations.

Each feature of the total business opportunity must be examined including 1) the market for the product to be produced, 2) expenditures that are required for equipment or tooling, 3) the cost of any plant modernization or rearrangement, including additions to an existing facility, 4) the availability of the necessary technology, 5) the lease or purchase of a new facility, 6) characteristics of the business including material, capital funds, and wage and benefit levels of other employers in the industry in which the new business will compete, 7) the nature of bargaining agreements needed to assure the new business is competitive, and 8) the expected return on investment relative to the standard in the industry in which the new venture would compete.

In analyzing the feasibility of entering into new business ventures the parties have agreed to call upon the full extent of Corporate and Union resources. As an indication of the seriousness of its commitment to employment growth through business diversification into non-traditional areas, the Corporation will make available up to \$500,000 dollars of funding to provide for this program during the term of the current Agreement. However, should the Growth and Opportunity Committee recommend new business funding in excess of this amount, the Corporation agrees to review such requests in accordance with the guidelines of this Document. These funds will be available for invest-

ment in new business ventures including, as appropriate, the establishment of separate Corporate organizational structures.

Investment funds will be released on an "as required" basis. Only those ventures receiving concept approval and initial funding prior to the expiration of the current Agreement will be considered as firm commitments by the Corporation. Accounting for fund expenditures will be the responsibility of the Growth and Opportunity Committee.

This new program will be administered by the Growth and Opportunity Committee. This Committee will be comprised of equal numbers of Corporate and Delphi-USWA representatives. It will be the responsibility of the Committee to make recommendations to the Corporation and Union for concept approval and to request new venture funding from the Corporation for business opportunities deemed to be consistent with employment growth objectives of the program.

The Growth and Opportunity Committee will be responsible to: 1) communicate to divisional and local management and to regional and local union representatives the full scope of this new business concept, 2) review and study the feasibility of proposals made by the local JOBS Committee regarding entry into new business ventures, 3) initiate studies necessary for a complete examination of new business ventures proposed locally or by the Committee, 4) make presentations and recommendations to the National JOBS Committee, 5) report back, where appropriate, to the local JOBS Committee its findings and recommendations regarding a proposed new business venture, and 6) devise means of encouraging the entire organization, hourly and salaried, to participate in bringing new competitive business into the Corporation and creating new jobs.

The Growth and Opportunity Committee will be guided by the following when considering new business venture proposals:

- 1) The jobs created should be in areas in which there is no significant unionized domestic competition, or in the case of traditional areas, where the competition is non-union or outside the U.S.
- 2) Work similar, but not identical to, work currently performed in-house, must be included for wage and benefit purposes under the Main Agreement. Such proposals may include high risk or marginally profitable projects that Delphi Automotive Systems would otherwise not consider.
- 3) Such new business ventures must be located completely separate from facilities under this Agreement except for those described in Paragraph (2) above.

Contingent upon the business climate and market proximity, we have agreed to pay particular attention to communities affected by the loss of Delphi-USWA employment opportunities. Accordingly, any newly created business venture developed through the efforts of the Growth and Opportunity Committee will be expected to provide opportunities for new employees, with preference given to USWA represented employees laid off from or working at Corporation facilities. Therefore, to the extent permitted by law, the Corporation or other employer will recognize the USWA as the representative of the hourly employees working at businesses developed through the Growth and Opportunity Committee for the purpose of collective bargaining. In this regard, the parties recognize the need to develop innovative approaches to labor relations and commit to negotiating new collective bargaining agreements for each venture.

The Growth and Opportunity Committee will report periodically to the Delphi Strategy Board on their progress in identifying and developing viable opportunities for employment growth.

The approach to job security and new business opportunity reflected in this agreement requires a relationship typified by trust and the mutual willingness to take risks in return for economic rewards and job opportunities. Our enthusiasm to search for new business must be shared by divisional and local management and by union representatives.

The success of this joint activity will be measured based upon results. A high level of commitment will be required from all parties to enhance the potential for success. The commitment of a full-time effort to seek new employment opportunities should improve the overall effectiveness of the program.

Very truly yours,

Bernard J. Quick

Director Labor Relations

HEALTH AND SAFETY TRAINING

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these Negotiations the Union discussed the concerns regarding the Tri-partite Ergonomics Program and the need for industrial hygiene training. Following negotiations the Local Ergonomics Committee will meet with the Management and Union Ergonomics Representatives to review the daily operations of the Ergonomics activity to ensure that the proper procedures are in place.

Further, it was agreed that one of the Union Health and Safety Representatives would be provided training in the area of Industrial Hygiene so as to assist the Regional Industrial Hygienist.

Very truly yours,

Bernard J. Quick
Director Labor Relations

ECONOMIC ISSUES

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

In discussions leading to this agreement the parties agreed that the provisions contained in the 2003 National Agreement negotiated with the UAW and IUE would be passed through to USWA Local 87 where the Agreement with Local 87 of the USWA has identical or substantially identical contractual or benefit provisions. In those cases where Local 87 does not have identical or substantially identical provisions, for example Legal Services and SUB, the parties will meet to discuss the applicability of those provisions to the Agreement between Delphi Automotive Systems and Local 87 of the USWA and the manner in which these items can be translated into the Delphi-USWA Agreement. However, the parties agree that Local 87 of the USWA will not be disadvantaged but will receive the same or equivalent improvements contained in the 2003 National Agreements between Delphi and the UAW and IUE.

In the event the Union believes that they have not received equivalent treatment to the UAW or IUE, the matter will be presented to arbitration. The selection of the Arbitrator will be by mutual agreement. The parties will also prepare and exchange at least 30 days prior to the arbitration hearing a written brief contain-

ing the issues in dispute and the parties position and supporting arguments. The arbitration hearing will be conducted in the manner prescribed in Paragraph (41) of the Main Agreement. The fees and expenses of the Arbitrator will borne in the manner provided in Paragraph (40) of the Main Agreement.

Very truly yours,

Bernard J. Quick

Director Labor Relations

MEMORANDUM OF AGREEMENT CONTINUOUS IMPROVEMENT AND JOB SECURITY

Memorandum of Agreement entered into this 8th day of December, 1999, between the Home Avenue/Vandalia Plants, Delphi Energy and Chassis Systems, Delphi Automotive Systems and USWA Local 87.

1. Objectives

The parties have long recognized the common objective of providing job security and a stable economic environment for the employees of the Delphi Energy and Chassis Systems Home Avenue/Vandalia facility. It is understood that to accomplish this objective the products of this facility must meet the expectations of its customers in terms of cost, quality and delivery in order to remain viable in today's competitive environment. In keeping with this common objective the parties agree to achieve the following goals:

- Improve operational effectiveness and operating costs at Home Avenue/Vandalia in order to become competitive and enhance the long-term viability of the facility and job security of its employees.
- Accelerate implementation of the Joint Job Security Plan and its two tier wage agreement.
- Achieve an agreement which enables the Home Avenue/Vandalia Plant operations to meet competitive price reductions, be self-funding for capital requirements and provide a fair return on investment to the Corporation.

II. Organizational Structure

The parties believe that in order to implement a competitive local agreement an organizational structure must be adopted which facilitates the implementation of methods and practices which maximize the utilization of equipment (uptime), employee capability, utilization (productivity) and achievement of world class quality.

The parties agree that an organizational structure based on Natural Work Groups and the Team Leader Concept is consistent with this philosophy. This organizational structure is supported by the new classification structure negotiated between the parties which facilitates implementation of self-directed work teams with employees who are more self-reliant with less need for traditional support activities.

III. Job Security Commitment

During the course of these Negotiations, the Union expressed concern regarding the issue of job security for Delphi Energy and Chassis Systems - Home Avenue/Vandalia employees. The concern expressed relative to this issue was long term job security protection as it relates to employee layoffs.

To address this matter, Management agreed that no employee hired prior to December 1, 1996, would be permanently laid off for any reason except as provided for in Appendix "L", Section I.D. In the event funding is exhausted pursuant to the funding provisions of Appendix "L" this Job Security commitment will nevertheless be continued for the full term of this Agreement.

IV. This Agreement is subject to written notice of ratification by the Local Union to be submitted to the Local Management no later than December 8, 1999.

V. This agreement is entered into by the following Management and Union authorized officers and representatives on the date and year first above written and will remain in effect until September 14, 2007.

USWA

**Local Union 87 L
AFL-CIO/CLC**

Dennis A. Bingham
Curt Varner
Vic Alexander
Johnny Lewis Carroll
Jim Hawkey
Wayne C. Johnson
Darrell Collins
Mark Sizemore
Kenny Rawlins
Rose Carnell
Jack Koeller
Gary Adams

**Delphi Automotive
Systems**

Bernard J. Quick
Brenda D. Page
James M. Petrie

Delphi Chassis Systems

John K. Harris
Fred Alexander

**1999 DELPHI-USWA
CONTRACT SETTLEMENT
AGREEMENT**

1999 DELPHI-USWA CONTRACT SETTLEMENT AGREEMENT

Agreement dated this 8th day of December, 1999 between Delphi Automotive Systems and the International Union, USWA, AFL-CIO/CLC and its Local 87, hereinafter called the Union.

The parties hereto agree as follows:

1. NEW MAIN AGREEMENT

A new Main Agreement to be dated December 8, 1999, and to become effective as hereinafter provided in Paragraph (17) of this Agreement has been negotiated by the parties hereto and consists of the provisions of the Main Agreement between the parties dated January 20, 1997, except for the changes hereinafter noted:

2. UNCHANGED PARAGRAPHS

The following paragraphs and appendices of the January 20, 1997 Agreement as supplemented, shall be included in the new Agreement without change:

Introduction

(7a)	(9a)	(23d)	(36b)(1)
(7b)	(10)	(23e)	(36b)(2)
(7c)	(12)	(24)	(36b)(3)
(7d)	(15b)(1)	(26)	(36b)(4)
(7e)	(15b)(2)	(28)	(36b)(5)
(7g)	(15d)(1)	(30)	(36b)(6)
(7h)	(15f)	(31)	(36c)
(7j)	(16)	(31b)	(38b)
(7k)	(17a)	(32)	(38d)
(7n)	(19)	(32b)	(39b)
(7o)	(19a)	(33)	(43b)
(7p)	(21)	(34a)	(45a)(4)
(7q)	(23a)	(34b)	(45b)(1)
(8b)	(23aa)	(35)	(45d)
(8c)	(23c)	(36b)	(47)

(47a)	(61a)(2)(a)	(62p)	(63b)(3)(b)
(48)	(61a)(2)(b)	(62q)(1)	(63b)(3)(c)
(49)	(61a)(2)(c)	(62q)(2)(a)	(63d)
(51a)	(61a)(3)	(62q)(2)(b)	(63e)
(51b)	(61a)(4)	(62q)(2)(c)	(65)
(51c)	(61a)(4)(a)	(62q)(3)(a)	(67)
(51e)(1)	(61a)(4)(b)	(62q)(3)(b)	(72b)
(51e)(2)	(61b)(1)	(62q)(4)	(74)
(51f)	(61b)(2)	(62q)(4)(a)	(75)
(51g)	(62a)	(62q)(4)(b)	(76)
(51g)(1)	(62b)(1)	(62q)(4)(c)	(77)
(51g)(2)	(62c)	(62r)(3)	(78)
(51g)(3)	(62d)(1)	(62r)(4)	(79)
(52)	(62d)(2)	(62r)(4)(a)	(80)
(52a)	(62d)(3)	(62r)(4)(b)	(81a)
(53)	(62d)(6)	(62r)(5)(b)	(81b)
(54)	(62d)(7)	(62r)(5)(b)(3)	(81c)
(55)	(62d)(7)(a)	(62r)(5)(b)(5)(a)	(81d)
(55a)(2)	(62d)(9)	(62r)(5)(b)(5)(c)	(82)
(55a)(3)	(62e)	(62r)(5)(b)(7)	(83)
(55a)(4)	(62f)	(62r)(5)(b)(8)	(84a)
(55a)(5)	(62g)(2)	(62r)(5)(b)(11)	(84b)
(55a)(5)(a)	(62g)(3)	(62r)(5)(b)(12)	(84c)
(55a)(5)(b)	(62g)(4)	(62r)(7)	(85)
(55a)(5)(c)	(62g)(5)	(62r)(8)(d)	(85a)
(55a)(6)	(62g)(5)(a)	(62r)(8)(f)	(86a)
(55a)(7)	(62g)(5)(b)	(62r)(9)	(86a)(1)
(56a)	(62g)(5)(c)	(62s)(3)	(86a)(3)
(56c)(1)	(62g)(6)	(62s)(4)	(86a)(4)
(56c)(1)(a)	(62g)(7)	(62s)(5)	(86b)
(56c)(2)	(62i)(1)	(62v)(1)	(87)
(57)	(62j)(1)(a)	(62v)(3)	(88)
(57a)	(62k)(1)	(62w)(2)	(88a)
(57b)	(62k)(2)	(62w)(3)	(88b)
(58)	(62k)(3)	(62x)(3)(b)	(89)
(59a)	(62l)	(62y)(5)	(90a)
(60b)(3)	(62m)	(63b)(2)	(91)
(60b)(4)	(62n)	(63b)(3)	(92a)(1)
(60b)(4)(b)	(62o)	(63b)(3)(a)	(92a)(2)

(92a)(3)	(101d)	(112)(1)	(119k)
(94b)	(101f)	(112)(2)	(119n)
(94c)	(101g)(1)	(112)(3)	(119o)
(94d)	(101g)(2)	(113)	(119s)
(94g)	(101g)(3)	(114)	(119t)
(94h)	(101j)	(115)(a)	(119v)
(94i)	(101k)	(115)(b)	(119w)
(95a)	(103)	(115)(c)	(119y)
(96)	(105a)	(115)(d)	(123)
(97)	(105f)	(115)(e)	(123)(1)
(98a)(3)	(105g)	(115)(f)	(123)(2)
(99)	(106a)	(116)	(126a)(3)
(100)	(107a)	(119)	(126a)(4)
(101a)(2)	(107b)	(119a)	(127a)
(101a)(3)	(109a)	(119b)	(132)
(101b)	(110)	(119i)	(133)
(101c)(1)	(111)	(119j)	

3. AMENDMENTS, ADDITIONS, SUBSTITUTIONS AND DELETIONS

A. The following paragraphs and appendices of the January 20, 1997 Agreement, as supplemented, shall be amended, as initialed by the parties and attached hereto, and shall be included in the New Agreement.

Preface

(1)	(7t)(1)	(15d)(3)	(25a)(2)
(2)	(7t)(2)	(15e)	(25a)(3)
(3)	(7t)(3)	(18)	(25b)
(4)	(8a)	(20)	(27a)
(4a)	(9b)	(20a)	(27b)
(5)	(9c)	(22)	(29)
(6)	(11)	(23a)(1)	(31a)
(7f)	(13)	(23a)(1)(1)	(31c)
(7i)	(14)	(23a)(1)(1)(1)	(31d)
(7l)	(14a)	(23a)(1)(2)	(32a)
(7m)	(15a)(1)	(23a)(1)(2)(1)	(34c)
(7r)	(15c)	(23a)(1)(2)(2)	(34d)
(7s)	(15c)(1)	(23b)(2)	(36a)
(7t)	(15d)(2)	(25a)(1)	(36d)

(37)	(62b)(2)	(62r)(8)(e)	(64a)
(38a)	(62d)	(62r)(8)(g)	(64b)
(38c)	(62d)(4)	(62r)(8)(h)	(66)
(38e)	(62d)(5)	(62r)(8)(i)	(68)
(38e)(1)	(62d)(7)(b)	(62r)(8)(j)	(69)
(38e)(2)	(62d)(7)(c)	(62r)(8)(k)	(70)
(39a)	(62d)(8)	(62r)(10)	(71)
(40)	(62d)(8)(a)	(62r)(11)	(72)
(41)	(62d)(8)(b)	(62r)(12)	(72a)
(42)	(62g)	(62r)(12)(a)	(73)
(42a)	(62g)(1)	(62s)	(86a)(2)
(43a)	(62g)(8)	(62s)(1)	(86a)(5)
(43c)	(62g)(9)	(62s)(2)	(90b)
(44)	(62i)(2)	(62t)	(92)
(45a)	(62j)(1)	(62u)	(92a)
(45a)(1)	(62j)(2)	(62v)(2)	(93a)
(45a)(2)	(62j)(3)	(62v)(4)	(93b)
(45a)(3)	(62q)(2)	(62v)(5)	(94a)
(45b)(2)	(62q)(3)	(62v)(6)	(94d)
(45c)	(62q)(5)	(62w)(1)	(94e)
(46)	(62q)(6)	(62w)(4)	(94f)
(50)	(62r)(1)	(62w)(5)	(94j)
(51)	(62r)(2)	(62x)(1)	(95)
(51d)	(62r)(5)	(62x)(2)	(98)
(52b)	(62r)(5)(a)	(62x)(3)(a)	(98a)(1)
(55a)(1)	(62r)(5)(b)(1)	(62x)(3)(c)	(98a)(2)
(55a)(8)	(62r)(5)(b)(2)	(62x)(3)(d)	(98a)(4)
(55a)(9)	(62r)(5)(b)(4)	(62y)(1)	(98b)
(56b)	(62r)(5)(b)(5)(b)	(62y)(2)	(101)
(56c)(3)	(62r)(5)(b)(6)	(62y)(3)	(101a)(1)
(59)	(62r)(5)(b)(9)	(62y)(4)	(101c)(2)
(60a)	(62r)(5)(b)(10)	(62z)	(101e)
(60b)	(62r)(5)(b)(13)	(63a)	(101g)
(61a)(1)	(62r)(5)(b)(14)	(63a)(1)	(101g)(4)
(61a)(2)	(62r)(6)	(63b)	(101h)
(61a)(4)(c)	(62r)(8)	(63b)(1)	(101i)
(61a)(5)	(62r)(8)(a)	(63b)(4)	(101l)
(61b)(1)	(62r)(8)(b)	(63c)	(101l)(1)
(61b)(3)	(62r)(8)(c)	(64)	(101l)(2)

(102)	(115)	(119z)	Appendix "A"
(104a)	(117)	(121)	Appendix "G"
(104b)	(118)	(122)	Appendix "J"
(104c)	(119c)	(124)	Appendix "J-1"
(105b)	(119d)	(125)	Appendix "J-2"
(105c)	(119e)	(126)	Appendix "K"
(105d)	(119f)	(126a)(1)(a)	Appendix "L"
(105e)	(119g)	(126a)(2)	Appendix "L" - Att. A
(106)	(119h)	(126b)	Appendix "L" - Att. B
(106b)	(119i)	(126b)(1)	Appendix "M"
(108)	(119m)	(127b)	Appendix "N"
(108a)	(119p)	(128)	Mem. of Understanding
(109b)	(119q)	(129)	Joint Activities Mem. or
(109c)	(119r)	(130)	Understanding Human
(109d)	(119u)	(131)	Resources Dev.
(112)	(119x)	(134)	

B. The following new paragraphs and appendices, also initiated by the parties and attached hereto, shall be included in the New Agreement.

(93b)

4. UNION BULLETIN BOARDS AND PUBLICATION RACKS

The Union agrees to indemnify the Company against any and all actions, charges, claims, damages or losses of any kind or nature whatsoever resulting from, arising out of, based upon, or attributable to (1) any material posted or displayed on Union bulletin boards bearing the written approval of the President of the Local Union or the Chairman of the Shop Committee, or (2) the display and/or distribution through the Union Publication Racks of publications of the Local Union and International Union which have been certified to Management as official by the President of the Union, the Chairman of the Shop Committee or the International Union Representative.

5. GRIEVANCES UNDER OLD AGREEMENT

Grievances filed with Management prior to the effective date of the new Agreement, may be appealed to the Umpire and considered by him/her under the provisions of the January 20, 1997 Agreement. Grievances filed after the effective date of the new Agreement shall be processed under the applicable provisions of the new Agreement dated December 8, 1999.

6. LOCAL AGREEMENT

It is agreed that any written agreements, including but not limited to, local wage agreements, local seniority agreements, etc., entered into by the Local Union and Local Management after September 14, 1999, currently in effect, shall continue as local agreements between local Management and the Local Union subject to their respective terminal provisions, if any, and subject to the provisions of the new Agreement for the life of the new Main Agreement. Any local agreement without a termination clause shall terminate without further action by either party to such local agreement with the effective termination of the new Agreement, and such local agreement shall not be terminated otherwise except as the parties to such local agreement may agree hereafter in writing.

7. HIRING RATES

An employee other than an employee hired pursuant to the Joint Job Security Plan Memorandum of Understanding and Agreement dated April 17, 1989, hired on or after the effective date of the new Agreement with a seniority date at any Delphi Automotive Systems plant which predates the effective date of the 1999 Agreement, shall be covered by the provisions of Paragraph (95) of the applicable Delphi-USWA Main Agreement in effect at the time the employee was hired.

An employee hired on or after the effective date of the new Agreement who had acquired seniority prior to such effective date and who thereafter is eligible for an adjusted seniority date pursuant to the provisions of Paragraph (51e)(1) of the new Agreement shall be covered by the provisions of Paragraph (95) of the 1997 Delphi-USWA Main Agreement effective with the beginning of the first pay period following eligibility for such an adjusted date.

The parties agreed that Paragraph (95) of the new Agreement is not intended to change any of the provisions or applications of local wage rules or the Wage Rate Progression and Qualifying Periods Sections of the Main Agreement or change any of the provisions of, nor apply to any employee hired pursuant to, the Joint Job Security Plan Memorandum of Understanding and Agreement dated April 17, 1989. However, where such wage rules are applied to employees who have not attained the maximum base rate of the Job classification and who are covered by Paragraph (95) of the new Agreement, the appropriate rate in Paragraph (95) of the new Agreement will apply.

An employee, who has received the hire rate and rate progression set forth in Paragraph (95) of the new Agreement and who, at the expiration of seven hundred and twenty (720) days of employment, is assigned or continues to be assigned to a job classification that has an extended training period, but has not completed the required time in such classification to receive the maximum base rate, will continue at the current rate or the rate specified in the local wage agreement for time worked in such classification, whichever is higher. Thereafter, such employee will receive a rate in accordance with the provisions of the local wage agreement.

For the purpose of determining the respective rates specified in Paragraph (95) of the new Agreement, the

Engineering Method of Rounding specified in Document 62 shall apply.

8. MAIN AGREEMENT CHANGES AND/OR WAIVERS

It is agreed that it may be beneficial for the Union and Management to consider alternative work schedules or other means to improve the competitive position at particular plant locations. It is further agreed that in order to facilitate and encourage such innovations, it may be necessary to change and/or waive certain provisions of the Main Agreement and exhibits attached hereto. It is understood that any such change or waiver would not be effective unless approved in writing both by the Corporation Labor Relations Staff and Union, and such changes would be effective only at the plant location(s) specifically designated. In addition, the parties agree that any local agreements negotiated pursuant to this paragraph will not be considered in conflict with any provision of the Main Agreement.

9. RELATED SUPPLEMENTAL AGREEMENTS

New supplemental agreements, including letters of understanding, are agreed to and shall be the same as those agreements currently in effect except that certain of them shall be revised and new ones agreed to as shown on the pages which are initialed by the parties.

An amended Supplemental Agreement Covering Pension Plan, Exhibit A; an amended Supplemental Agreement Covering Life and Disability Benefits Program, Exhibit B; an amended Supplemental Agreement Covering Health Care Program, Exhibit C; an amended Supplemental Agreement Covering Income Security Plan, Exhibit D; an amended Supplemental Agreement Covering Guaranteed Income Stream Ben-

efit Program, Exhibit E; an amended Supplemental Agreement Covering Profit Sharing Plan, Exhibit F; and an amended Supplemental Agreement Covering Personal Savings Plan, Exhibit G, are agreed to and renewed and shall be the same as those dated January 20, 1997, except that they shall be revised as shown on the pages which are initialed by the parties, effective in accordance with and subject to the provisions of such pages.

10. APPRENTICE SAFETY TRAINING

During the course of the 1979 negotiations, the parties agreed to a Basic Safety Training Guide covering all approved Delphi Standard Apprentice Training schedules. The 80 hours of safety instruction provided for will be incorporated into the shop or related training schedules or a combination of both. The total shop training shall remain 7,328 hours and the total related training shall remain 576 hours. The portion of the 80 hours to be provided as shop training shall be subtracted from existing "Optional Hours". The balance of the 80 hours shall be provided as related training.

When the method of providing this safety training has been jointly established locally, it shall be reviewed by the Local Apprentice Committee and the Local Joint Committee on Health and Safety and a copy of each revised schedule shall be forwarded to the Delphi Labor Relations Staff for approval. The schedules revised in accordance with this agreement will be adopted for those apprentices presently in the training program to the extent that they can be integrated into such revised programs without interfering with the progress of the apprentice.

11. JOINT JOB SECURITY PLAN MEMORANDUM OF UNDERSTANDING AND AGREEMENT

All employees hired on or after April 17, 1989 are covered by the Joint Job Security Plan Memorandum of Understanding and Agreement dated April 17, 1989 and their employment is in accordance with and subject to the provisions of that Agreement. Nothing in this new Main Agreement modifies and/or alters the terms and conditions of the April 17, 1989 Joint Job Security Plan Memorandum of Understanding and Agreement.

12. RATIFICATION AND EFFECTIVE DATE

a. The new Agreement shall become effective on the first Monday following the date on which the Company receives satisfactory notice from the International Union that the new Agreement has been ratified by the Union membership provided that the Corporation receives said notice from the International Union on or before December 8, 1999.

b. No provision of the new Agreement shall be retroactive prior to the new date such Agreement becomes effective, unless otherwise specifically stated therein.

13. COUNTERPART SIGNATURES

The signatures hereon shall be applicable to each of the various written agreements to which each party has committed itself in the same manner and with the same effect as if physically subscribed thereon.

The parties hereto, each by its duly authorized officials and representatives hereby accept this Contract Settlement Agreement and each and all terms and conditions thereof.

USWA**Local Union 87****AFL-CIO/CLC**

Dennis A. Bingham

Curt Varner

Johnny Lewis Carroll

Vic Alexander

Jim Hawkey

Wayne C. Johnson

Darrell Collins

Mark Sizemore

Kenny Rawlins

Rose Carnell

Jack Koeller

Gary Adams

**Delphi Automotive
Systems**

Bernard J. Quick

Steven L. Gebbia

Brenda D. Page

James M. Petrie

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JANUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	MAY S M T W T F S 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	SEPTEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
FEBRUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	JUNE S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	OCTOBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
MARCH S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	JULY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	NOVEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
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JANUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	MAY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	SEPTEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
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MARCH S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	JULY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	NOVEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
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JANUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	MAY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	SEPTEMBER S M T W T F S 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
FEBRUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	JUNE S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	OCTOBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
MARCH S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	JULY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	NOVEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
APRIL S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	AUGUST S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	DECEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

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JANUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	MAY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	SEPTEMBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
FEBRUARY S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	JUNE S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	OCTOBER S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
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